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POVERTY AND THE STATE

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POVERTY AND THE STATE

By

GILBERT SLATER

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PREFACE

This book is based on a series of lectures which formed the preliminary part of a course of study arranged by the Church of England Temperance Society, in conjunction with the University of London, for Police Court Missionaries, and for young men and women desirous of qualifying themselves for that work. My thanks are due to the Society, and to its Secretary, the Rev. H. H. Ayscough, for giving me all possible help and encouragement, and to the students attending, whose keen interest made the work a constant pleasure.

The tone and quality of such a book as this is naturally determined by the author's experience of life. In this case I am under a disqualification through never having served on a Board of Guardians or having otherwise been occupied with the distribution of relief. On the other hand I have enjoyed the benefit of some illuminating experiences, among which I put first nine months of rather extreme under-employment, which involved living in London on fifteen shillings a week, at a time when this was the usual wage for ordinary agricultural labourers working long hours in the South of England. Previously I had taken part in helping the local representatives of the Gas Workers' and Dockers' Unions with the organisation of unskilled labour in Plymouth, in the stirring times that followed the Great London Dock Strike of 1889. Later, during twelve years' residence in Woolwich, my time was mainly taken up with helping in the social work organised by Mr. C. H. Grinling, which has since developed into the Woolwich Council of Social Service ; but I also for some years edited the organ of the Royal Arsenal Co-operative Society, and served for three years on the Woolwich Borough Council, the last year as Mayor of the Borough. During this time I had an opportunity of observing the difference between the theory and

practice of our system of government, as my main preoccupation was with the futile struggle against the crippling of the Arsenal in the interests of the armament firms, a policy which could never have been carried out if its true nature had been perceived by Parliament and the electorate.

Service in India from 1915 to 1922, for a little more than five years as Professor of Indian Economics in the University of Madras, and for one year as Publicity Officer to the Government of Madras, kept me out of this country during a period the economic history of which I have had to treat in the chapter on Post-War Unemployment. On the other hand I have found removal to a distance, and temporary absorption in social, economic and political problems of a society so diverse as that of India is from Britain, very helpful in getting a fresher and more comprehensive view of our own problems. I further enjoyed the advantage of one year's service on the Madras Legislative Council as reconstituted under the Montagu-Chelmsford Reforms, and also took part in the proceedings of the Imperial Board of Agriculture, including, particularly, the work of the Sub-Committee on the Famine of 1918.

As revivification of Agriculture is here advocated as the most hopeful resource for restoring economic and social well-being it is only fair that I should warn the reader that, though I have devoted a good deal of time to the study of the history of village life in England, my only direct participation in agricultural work has been holding, for some years, a very badly cultivated allotment.

I am greatly indebted for valuable suggestions and corrections to Sir Richard Burn, C.S.I., Mr. Montague Fordham, Miss M. L. Haskins, Mr. R. H. Tawney, and most particularly to Mr. H. L. Beales, who have read either special portions or the whole of the book in typescript or proof. My indebtedness to the great series of

historical works by Lord Passfield and Mrs. Sidney Webb will be evident to readers.

I am conscious of the fact that there are many defects in this book ; but " the better is the enemy of the good " ; if I were to attempt to make it better it might never be produced at all.

A complete bibliography would be in itself a big book. I have therefore confined mine to those publications which I think most likely to be useful to students. The order is neither alphabetical or chronological, but as far as possible harmonised with the order of the chapters of the text.

GILBERT SLATER.

OXFORD, *April*, 1930.

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CHAPTER I

INTRODUCTION

WEALTH is said to consist of commodities and services ; he is a rich man who can command these in abundance ; he is poor who has to struggle constantly in order to obtain them in sufficient quantity to meet his vital needs ; and if he fails in this struggle he is to be classed among the destitute. From the individual point of view poverty is a personal misfortune ; from the social point of view it is the symptom which betrays the failure, or at least the partial failure, of the State to achieve " the good life " for the community which it serves, for, in its economic aspect, " the good life " implies adequate production, just distribution, and wise consumption of those things which minister to life.

From the psychological point of view poverty is the shadow which dogs the heels of wealth. Where all are poor, and no one is rich, the consciousness of poverty can scarcely exist. When game is scarce the savage hunter may starve to death, but he is spared the mental torture undergone by the hungry man with empty pockets who treads the London pavements. The poverty of the past, from the earliest beginnings of human society up till very recently, was due to lack of power to produce adequately the necessities of life. In England in 1929 that power exists in superabundance, and, though it is only partially exercised, the actual production appears to be sufficient. There is enough food ; and if some people are underfed, others eat more than is good for them, and part of the

supply is thrown away uneaten : if some people shiver in the cold, there is clothing in excess laid up in hosts of homes : we have overcrowded slums, but also big houses only half inhabited. But success in achieving adequate production has only thrown into stronger emphasis the lack of any corresponding success in securing the distribution of goods in proportion to needs ; hence, side by side with the minimising of cases of actual destitution, the protest against poverty as a class grievance and social disgrace grows more clamant and determined. Juster distribution is the demand which dominates our political life to-day.

In the year of Queen Victoria's accession Benjamin Disraeli depicted the social condition of England in the phrase " The two nations." Fortunately the deep chasm which he then envisaged between the nation of property owners and that of the proletariate has been both bridged and narrowed ; on the one hand the manual worker is neither as poor now nor as destitute of property and cut off from means of social advancement ; on the other hand class differences in language, habits of thought, dress, standards of cleanliness and culture have largely been smoothed away. Nevertheless the contrasts in amount between big incomes from property and small wages from labour are as striking as ever. Meanwhile, within the ranks of those who labour, changes in relative financial position have been notable. On the one hand the better-paid artisans now earn more than badly-paid clerks ; on the other the high salaries or earnings of fortunate specialised workers, successful barristers and business managers, best sellers among novelists, film stars, eminent pugilists, and the like, tower higher than ever above the general level. We recognise increasingly but imperfectly that no necessary work is more important and responsible than the nurture of babies, but we remain careless as to whether the mothers, on whom the main burden falls, are financially able to bear their responsibilities.

The extent to which poverty is an evil depends partly upon its intensity, partly on individual character, partly on surroundings and conditions. The fairy Blackstick [1] learned by long experience that the best christening gift she could bestow upon a princely godchild was " a little misfortune, my dear." If a financial loss braces the character it is no real calamity. A small income or wage does not necessarily make a man really poor if he has strength, courage, a cheerful disposition and a healthful occupation ; but the family subsisting on small wages clings, as it were, to the brink of an abyss of misery, perhaps of degradation, into which it may easily be plunged by serious illness or prolonged unemployment. Most people, including even many of those whose incomes are above the average, regard themselves as poor, for they feel that their incomes are unfairly small in proportion to their merits and needs. It is not poverty in that sense, but the deeper poverty—poverty which undermines physical health and self-respect, and is inevitably recognised as a social peril—with which this volume is concerned.

Poverty in this sense, though it covers a vast number of individuals, and though perhaps a majority of our population are close to the verge of it, is still the exception. It is the fate of those who have failed more than their fellows to adjust themselves to their environment. The causes of such failures are manifold. They may lie in defects of mind or body, or misfortunes proper to the individual, as blindness, old age, accident, disease, intemperance, bad temper, unpunctuality ; or they may lie in circumstances which interfere with the relationship between the individual and the economic organisation of society, as the bankruptcy of the employer, shortening of hands during depression of trade, labour disputes, industrial crises, or changes of fashion which divert capital and enterprise from one industry to another.

The agencies and methods by which the community

[1] Thackeray's *The Rose and the Ring*.

becoming conscious of the evil and danger of the intenser forms of poverty, has endeavoured to combat it, are as manifold as the causes. Philanthropy, impulsive or organised, spontaneous or professional, grows with the increase of wealth jostling against poverty. Personal advice and public exhortation, extolling the virtue of thrift, emphasize the lessons which the economic conditions of our lives teach us silently. Manual workers combine together, in trade unions and co-operative societies, to widen the margin that separates them from the extremes of poverty, and in friendly societies bind themselves to come to one another's rescue on occasions of special misfortune. Such individualistic, co-operative and altruistic efforts, besides having their own direct effects, also have their experimental value, and prepare the way for organised efforts of the community as a whole, acting through the national government and state departments, or through local authorities. The proper scope of each of these classes of agencies, none of which can be dispensed with, and the manner in which they can best be co-ordinated, is naturally a subject of debate in theory; and, in practice, of continual partial and provisional settlement by repeated readjustments.

In the chapters that follow an effort is made to give in broad outline the story, for England and Wales, of the course of the social struggle of the community against the more glaring evils of poverty, and against poverty itself in its extremer forms. This struggle began many centuries ago, but only in very recent times has enlisted a large share of the national effort, and its issues come prominently into the national consciousness. Gradually the aim of the leaders has developed from mere mitigation of the distress caused by poverty to more effective rescue of individuals, and thence to a study of causes and the organisation of preventive work. In view of the complexity of the causes of poverty, and the multiplicity of the agencies concerned in combating it, it is not easy to devise

a simple and logical arrangement of the subject-matter. The plan here adopted is based upon the historic fact that at one time or another some particular problem of poverty has taken on so threatening or urgent a form as to elicit some new effort of private or public initiative which has ever since persisted under varying forms. As far as possible these emergencies are taken in chronological order, and the resulting initial effort with its later developments discussed in their connection therewith.

CHAPTER II

POVERTY AND PRIVATE CHARITY

The history of almsgiving and of all philanthropic effort to help the poor, the destitute and the unfortunate, is in our own country closely bound up with the history of the Church. No other religion emphasizes so emphatically the duty of love to all men, and of the expression of that love in practical form, as Christianity; and the organised Churches have never entirely forgotten the teaching of its Founder, however far they may have departed from His spirit.

Though the original attempt of the Church in Jerusalem " to have all things in common " appears to have broken down very quickly, it seems pretty certain that as long as Christianity was unrecognised, and at times persecuted, the little communities of believers were linked together by the closest bonds of mutual help. It was at this stage of its development that Christianity first came to our country, and the tradition that Joseph of Arimathaea was the first missionary, and Glastonbury the first mission centre, is credible if not very probable. When Constantine made Christianity the official religion of the Roman world, and persecution, where it continued, was directed against pagans and heretics, the force of solidarity within the Church was inevitably weakened, and, equally inevitably, the Church found itself compelled to compromise with the existing organisation of society, and to accept, as evils which could not under the existing conditions be overcome, both glaring contrasts of wealth and poverty, and the institution of chattel slavery. Such compromises

make an uneasy conscience. The Church could not entirely forget that its mission was to establish the Kingdom of God upon earth ; and, as one way of bringing earthly conditions a little nearer to the perfect fraternity of heaven, it preached the duty of almsgiving.

What charitable customs or institutions grew up in the British Church from its first foundation, and in the period during which it was cut off from the rest of Christianity by the Anglo-Saxon invasion, cannot be definitely known. Accurate knowledge with regard to the history of charity in England begins with the mission of Augustine, and his correspondence with Pope Gregory the Great recorded in Bede's Ecclesiastical History. Gregory assumed that Augustine would enforce the duty of giving upon all converts, and he directs that the offerings shall be used for the assistance of the poor, as well as for the maintenance of the Church, recommending, as most suitable to England, a tripartite division, one part going to the priesthood, one part to the building of places of worship, and one to the poor. The offerings which Augustine and his successors actually received included extensive grants of land, as well as tithes, and the acceptance of these sources of revenue imposed on bishops, parochial clergy, and monasteries, a moral obligation to relieve poverty as far as they could. In addition a sort of poor rate was imposed on lay Christians, who were enjoined to fast on Fridays and Wednesdays and on other special days, and to give the food or money so saved to the poor.

Little is known with regard to the actual reality and value of the charitable activities of the Church during the 469 years between the landing of Augustine and that of William the Conqueror. Bede tells us that very early the self-indulgent monastery appeared, inhabited by men who wished only to escape the military and financial responsibilities of lay occupiers of land. But towards the close of the Anglo-Saxon period a fresh wave of earnestness appeared in the English Church, one of its

manifestations being a strong protest against slavery. The Witan was induced to declare that it was a national sin that men whom Christ had bought with His precious blood should be held as property by others, particularly by non-Christians ; and as a first step towards the ending of slavery the sale of Englishmen abroad as slaves was prohibited. After the Conquest the Church re-entered upon the struggle against slavery, and in the following two centuries completed that task.

It may be said broadly that from the beginning of the seventh to the end of the twelfth century the efforts of the most enlightened Englishmen, like those of their contemporaries in Western Europe, were directed towards consolidating the power and authority of the Roman Catholic Church and the Papacy, and maintaining its independence of the monarchy. This was the cause for which Wilfrid of York, Bede, Dunstan, John of Salisbury, and, later, Stephen Langton laboured, as well as the Italians Lanfranc and Anselm ; and in which Thomas à Becket was martyred. It so far triumphed that during the Middle Ages our ancestors were subject to a double government, owing allegiance both to State and Church, to King and Pope. On the whole the authority of the Church was the greater, because it commanded the terrors of purgatory, and, by excommunication, it could enforce social ostracism. The law of the Church also exercised the more intimate control of the lives of the people as it regulated marriage and bequests, inspected thought as well as action through the confessional, imposed penances, and gave pardon and absolution. Hence, just in proportion as the clergy chose to enforce the duty of almsgiving, they were able to do so.

The machinery of relief, and the organisation by which the Church touched the lives of the poor, included the monastic system, the parochial system, and from the thirteenth century the associations of begging friars, who were originally pledged to communal as well as to indi-

vidual poverty. During the earlier centuries of the Middle Ages the monasteries were in high repute, and accumulated great wealth in land, tithes, buildings, vestments and other treasures, largely by means of bequests, which were frequently inspired, no doubt, by death-bed repentance and a father confessor's vigorous persuasion. The administration of such funds as were used in charity included the provision of free food and shelter for wanderers too poor to put up at inns, while the noble and wealthy were entertained sumptuously, and gave such donations in return as their piety or generosity dictated. In addition, food was distributed at the gates; thus, for example, at the Abbey of Glastonbury poor people were fed every Wednesday and Friday; at St. Andrew's, Rochester, the poor of the city were feasted every year on St. Andrew's day. With regard to the practical value of these forms of poor relief there is much difference of opinion. The view held by Cobbett has become traditional; it is that the monasteries provided effective relief to the necessitous, and that it was their dissolution which impelled the passing of the Tudor poor laws. This view is certainly mistaken. It was not in England only, nor only in countries where monasteries were suppressed, that an imperative need for public provision against destitution was clearly recognised in the sixteenth century;[1] and, in England, long before the dissolution, the monasteries had lost their repute in great measure, many were almost deserted, and their endowments had dwindled as the result of bad and corrupt administration. On the other hand the view that they only encouraged vagrancy and pauperism, and thus created more poverty than they relieved, is probably too harsh.[2]

The charm of the character of St. Francis has thrown a

[1] S. and B. Webb, *English Poor Law History*, Part I (1927), pp. 29-41.

[2] The case for the monasteries is given by Cardinal F. A. Gasquet, *Henry VIII and the English Monasteries* (1888 and later editions); that against by G. C. Coulton, *Mediaeval Studies*, Nos. 1, 6, 10 and 11.

halo over the reputation of the Franciscan, or Grey, Friars, from which the other orders have also benefited, but there can be little doubt that, recruited as they were from lower orders of society than the older orders of monks and nuns, they degenerated more rapidly, and came more completely under the domination of communal selfishness.[1] It would, of course, be unfair to judge either sort of community by the denunciations of their opponents, but the fact that Lollard tracts regularly depict the friars as much worse, more greedy and selfish than the monks, indicates pretty conclusively that this was the popular judgment on their *relative* merits. Chaucer's Monk was no ascetic, nor student, nor philanthropist, but " a lord full fat and in good poynt," wearing fur " and that the fynest of a land," " of prikyng and of huntyng for the hare, was al his lust," " a manly man, to ben an abott able." His Nun, a Prioress, Madame Eglentyne, similarly was a fine lady, " ful pleasant, and amyable of port," " so charitable and so pitous, Sche wolde weepe if that sche sawe a mous, Caught in a trappe " ; but her pet dogs are the only creatures mentioned as benefiting from her tenderness of heart. But as for friars, Chaucer seems almost ready to endorse the Sompnour's accusation, " Freres and feendes been but litel asonder." His friar knew well the taverns in every town, would have nothing to do with the sick or the poor, unless it were to extract from a widow her last farthing, courting instead the rich and the sellers of victuals ; " he was the beste begger in al his hous." By the latter part of the fourteenth century the philanthropic as well as the religious zeal of both monasteries and friaries had waxed cold ; but while monks and nuns degenerated into amiable parasites, friars according to contemporary evidence were frequently unscrupulous and extortionate hypocrites.

In the period of their first enthusiasm the Franciscans specially devoted themselves to the service of the sick

[1] G. C. Coulton, *Five Centuries of Religion* (1923).

poor, but whatever temporary social amelioration they thus effected was probably more than balanced by the expulsion of the Jews, and among them of the best physicians, for which the Friars were largely responsible. The work done by the older orders began earlier and was of more permanent value. Lanfranc, the first Archbishop after the Conquest, founded two hospitals in Canterbury, and in that city also was built the first refuge for lepers. The Hospital of St. John was founded in Bath in 1180, and managed the Roman baths up to the Dissolution. The specific nursing orders of Beguines and Beghards, founded by Lambert de Bègue of Liège (1170), the Brothers and Sisters of the Holy Ghost (1198) preceded the arrival in England of the Franciscan order, while the Sisters of St. Elizabeth (born 1207, died 1231) were contemporary and independent. The hospital movement in London was older. An isolation hospital for lepers was founded in 1118 ; St. Bartholomew's in 1123, to receive poor diseased persons till they got well, distressed women big with child, and to maintain, till they were seven years of age, those children whose mothers died in the hospital. The date of the original foundation of St. Thomas' Hospital is unknown ; it was rebuilt in 1228, to provide forty beds for infirm and impotent poor. Bethlehem (Bedlam) Hospital for lunatics was originally founded as a Priory for brethren and sisters of the order of the Star of Bethlehem in 1247, it later became a hospital, and began to receive lunatics in the fourteenth century. At the beginning of the fifteenth century London had, according to Stow, eighteen houses " for aid and comfort of poor, sick, blind, aged and impotent till they be cured . . . by physicians, surgeons, and apothecaries, which shall have stipend, salary and wages." Three of these were suppressed under Henry V ; and the rest, except the three named, which were rescued by the Corporation of the City of London, disappeared under the Tudors ; on each occasion religious strife had given greed its opportunity.

If the social value of the charitable activities of the conventual establishments has been frequently over-valued, the work of the parish priests of the Middle Ages has not been sufficiently recognised. Monasteries were retreats from the worries and responsibilities of life for the benefit, mainly, of men of the upper classes ; nunneries were a social provision for the maintenance of girls of those same classes not sufficiently attractive or well endowed to get husbands ; [1] but the parish priests were recruited from the peasantry, they normally lived among the peasants, were, like the peasants, maintained by lands cultivated by the village ploughs, though relatively well off compared with most of their neighbours, and for that reason, and by superiority of education, and still more the sanctity of their persons, they were the natural leaders of the peasantry in the struggle against oppression by lords of manors and undue exactions of manorial officers. In such circumstances imperative psychological needs impel a celibate priest to seek happiness by earning the respect and affection of his parishioners, a fact as apparent to-day in Buddhist Burma as among Catholic peasant communities of Europe. There were, of course, in the ranks of the English priests some black sheep, those who, as Chaucer hints, were not loath to curse for their tithes, those who set their benefices on hire, and ran to London to seek chantries, or retreated into brotherhoods, or, worse still, the foul priests who corrupted their flocks by evil example. But there is good reason to believe that these were exceptions, and Chaucer's parish priest is clearly intended to be regarded as typical. Familiar as the lines are, I cannot refrain from quoting them again :

> " A good man was ther of religioun
> That was a poor Persoun of a toun ; [2]

[1] This question is fully discussed in *English Medieval Nunneries* (1922) by Eileen Power.

[2] *i.e.* village.

But riche he was of holy thought and werk.
He was also a lerned man, a clerk
That Cristes gospel trewely wolde preche.
His parisschens devoutly wolde he teche.
Benigne he was and wondur diligent,
And in adversite ful pacient ;
And such he was i-proved ofte sithes.
Ful loth were him to cursen for his tythes,
But rather wolde he geven out of dowte,
Unto his poor parisschens aboute,
Of his offrynge, and eek of his substaunce.
He coude in litel thing han suffisance.
Wyd was his parisch, and houses fer asondur
But he ne lefte not fer reyne ne thondur,
In siknesse ne in meschief to visite
The ferrest in his parissche, mote and lite.[1]

. . . . . .

But though he holy were, and vertuous,
He was to senful man nought dispitous,
Ne of his speche daungerous ne digne,
But in his teching discret and benigne.
To drawen folk to heven by clennesse,
By good ensample, was his busynesse :
But were it eny persone obstinat,
What-so he were of high or lowe estat,
Him wolde he snybben scharply for the nones.
A bettre preest I trowe ther nowher non is.
He waytud after no pompe ne reverence,
Ne maked him a spiced conscience,
But Cristes lore, and his apostles twelve,
He taught, and ferst he folwed it himselve."

The "substaunce" out of which a parish priest could give was, of course, the produce of the glebe and the tithes, provided the benefice had not been appropriated by a monastery, in which case the curate in charge got a bare living for himself only. The glebe seems ordinarily to have been a yard-land, in the districts where holdings were so measured, that is land enough to maintain a full-sized family. The extent to which tithes were drawn

[1] *i.e.* great and little.

upon for relief of poverty no doubt depended on the vicissitudes of the season. And these resources, considerable in themselves, could be, and no doubt normally were, supplemented by organising the good-will of the parish. Chaucer's ploughman

> " wolde threissche, and therto dyke and delve,
> For Cristes sake, with every pore wight,
> Withouten hire, if it laye in his might."

Famines and cattle plagues from time to time afflicted the land in the thirteenth and fourteenth centuries ; but when harvests were good or moderate the poorest of the rural workers had a sufficiency of coarse wholesome food, and of rough clothing and shelter. The social provision against simple destitution, by means of private charity organised by the Church, was reasonably adequate. In the towns, which, with the exception of London, were not much more than big villages, the gilds maintained the principle of voluntary mutual aid, and there also, since in the absence of machinery manual labour was always in demand, destitution could hardly arise from unemployment, but only from some special personal misfortune, like sickness, accident, widowhood and orphanage. Accordingly it was to meet such needs as these that the organised charities of the city of London came into being.

In the fifteenth and sixteenth centuries the mediaeval organisation broke down. Increased efficiency in production brought increased wealth, luxury, greed, unemployment, vagabondage, misery and crime. The tone of society, and the current code of social ethics, became more individualistic as agriculture became commercialised and industry competitive. Savage repressive legislation was tried, and failed ; under Elizabeth a social code of laws was enacted, reaching its climax in the Poor Law of 1601, the celebrated 43rd Elizabeth.

Compulsory rates for poor relief thereby enacted neither did away with the necessity for voluntary effort,

nor prevented the development of new forms of charitable organisation. Some light on what needs appeared most urgent to Queen Elizabeth's subjects is given by the Statute of Charitable Uses, also enacted in 1601, to prevent the malversation of gifts and bequests. The objects specified are relief of aged, impotent, sick or maimed soldiers and sailors ; maintenance of schools or scholars at Universities ; repair of roads, bridges, ports, or churches ; maintenance of houses of correction ; support of decayed tradesmen ; redemption of prisoners and captives ; and helping the poor to pay their taxes. This list indicates a desire on the part of the legislature to guide voluntary effort into channels in which it would supplement parochial relief without overlapping. Actually, during the following two or three decades, the most popular forms of charity, next to ransoming the captives of the corsairs of Algiers, were those that did overlap the poor law, *i.e.* apprenticing children, providing materials for setting the unemployed poor to work, building almshouses for the aged, and providing doles of bread, white bread frequently being specified. To these must be added the endowment of lectureships in Divinity, though the motive there was not love of the poor, but hatred of Papacy and other theological error.

In the seventeenth century we find the first of the long series of those laymen who devoted their lives to philanthropic work as an absorbing pursuit. Nicholas Ferrar, a London merchant, moved with his mother in 1625, during a visitation of the plague, to Little Gidding. He bought a neglected house in a fair garden. He found the village had practically relapsed into heathenism, the church used as a storehouse for rubbish, and poverty acute. He carried on a Sunday school, and taught the village children to recite psalms, with a prize of a penny for every psalm recited correctly ; and then gave them dinners of baked pudding. Next he organised a day school, employing three masters ; he ran a dispensary

for the sick, enlisting the services of what we should now call district nurses, who were, as he considered, good surgeons, clever at treating wounds, but not competent to prescribe medicines. To benighted travellers he offered suppers of hot baked meats and beds. He died in 1637, but his work was continued by his family till 1647, when the house and the church were despoiled by the Puritan soldiery in the Civil War.[1]

The war between the King and Parliament in the political field prepared the way for the effective domination of the country—central government, local government, the Church, the Universities and society, all included—by the landowning class. The period during which this domination was practically absolute may be stated as lasting from the "Glorious Revolution" of 1689 to the Repeal of the Corn Laws of 1846. In the moral field the reaction against the religious fanaticism which underlay the conflict, and disgust at the mutual persecution of Cavaliers by Puritans, and of Puritans by Cavaliers, with its horrible climax in the Cromwellian massacres in Ireland and the sale of "malignants" as slaves to the plantations, turned men's minds into other channels of thought than that of theological controversy. The advance of science profited somewhat; but chiefly the intellectual energy thus liberated was devoted to problems of foreign trade, exploitation of colonies, agricultural improvement, rent enhancement, and the development of the gentlemanly sports of shooting and hunting. In these causes the structure of English rural life was reorganised; the peasantry uprooted, and the heirarchy of squire, parson, tenant farmer and rural proletariate established.

Increase of wealth combined with increase of poverty, and increase of dependence of the poor on the rich, are all favourable to the increase of charity. In the eighteenth century the Lady Bountiful, distributing blankets and

[1] See B. Kirkman Gray, *History of English Philanthropy* (1905).

moral admonition among cottagers saved from the demoralising influence (so much deplored by contemporary authors) of owning cows that grazed on commons, appears as the natural complement of the enclosing and game preserving landlord. The stimulus to tillage given by high protection and bounties on the export of grains and malt, combined with high infant mortality from smallpox, from 1689 to about the year 1770, maintained a good demand for agricultural labour, and real wages, though fluctuating according to the seasons, showed a general upward tendency. Nevertheless there was a steady drift of young men and women from the villages to the towns, and particularly to London. The population of London grew steadily, although every year of the eighteenth century showed an excess, and most years a great excess, of deaths over births within the " Bills of Mortality "—this being the first phrase coined to express Greater London. Mr. and Mrs. Webb's works, *The Manor and the Borough* and *The Parish and the County*, depict the working of the chaotic and ineffective, and usually corrupt, local administration of the City of Westminster and the metropolitan parishes, and of the criminal law by metropolitan Justices, a code which steadily grew in complexity and savagery. For vivid pictures of the misery and degradation into which drifted the helpless, illiterate migrants from the country, flocking into cellars and other overcrowded dwellings and lodging houses of London, the reader may be referred to the writings of Henry Fielding, and particularly to his plays. The opportunity for philanthropy was great, the call imperative.

At the threshold of this period, during the transitional years between the Restoration (1660) and the expulsion of James II (1688), there appears the pioneer of modern English organised philanthropy, a man who not only devoted his own time, labour and money to the work, but also systematically collected additional contributions

from sympathisers. Thomas Firmin, born in Ipswich in 1632, became a prosperous mercer in London. When the Great Plague of 1665 disorganised London life, driving away great numbers of the well-to-do, Firmin organised a factory for the spinning and weaving of linen for the benefit of the workers thrown out of employment. When the emergency had passed he turned this into a school. Children were received at the age of three, and till they were five were taught reading. At the age of five their instruction in spinning began, in combination with the literary part of their education ; they then got wages beginning at twopence a day, gradually increasing as they mastered the arts, first of spinning, later of weaving. The sale of the cloth covered the greater part of the expense, the remainder he met out of his own pocket. As soon as the children were old enough they were apprenticed, and so given a start in life.

This experiment was successful enough to provoke many imitations in the next century, and Firmin became a well-known character. When the Revocation of the Edict of Nantes drove Huguenot refugees to London he became the organiser of such measures of assistance and relief as were attempted. Later he was frequently entrusted with money for the purpose of liberating prisoners for debt, of whom there were two classes, those imprisoned at the instance of their creditors, and those detained after serving their sentences for debts due to the gaolers. But he soon abandoned this form of philanthropy as completely unsatisfactory. Some of the released debtors, having no trade or resources, took to beggary on their release, and thence to theft, and so came to the gallows. In other cases creditors, who would otherwise have let their debtors go, because the further sums which might be extorted from them did not cover the expense of their maintenance, detained them instead, hoping to get paid in full out of the charitable fund. Lastly, the gaolers took to inventing special cases of merit and hardship, and

their confederates got released over and over again, in each case sharing the donation with their patrons. Accordingly Firmin took up instead the task of prosecuting gaolers who extorted illegal fees from the prisoners in their charge, thinking this a more effective form of service, and thus inspired so much terror that in one case the gaoler prosecuted bought a rope and hanged himself to avoid appearing in court. Firmin was the first of the line of English prison reformers, of whom John Howard and Elizabeth Fry are the most celebrated.

Thomas Firmin died in 1697.[1]

The end of the seventeenth century saw the first approach towards an organised effort at combating the deplorable ravages of disease among the London poor. In 1687 the Royal College of Physicians passed a resolution urging all its licentiates to give free attendance to sick people unable through poverty to pay fees. This action was perhaps dictated by motives of policy as well as philanthropy, as the delimitation struggle between the physicians and apothecaries had begun, and it was considered desirable to close to apothecaries as far as possible all opportunities of practising as physicians. Soon after, with the rebuilding of St. Thomas' Hospital in 1693, there began a great hospital movement. Between 1719 and 1752 Westminster, Guy's, London, Middlesex Hospitals, the Lock Hospital, the Jewish, the City of London and Queen Charlotte's Lying-in Hospital, and St. Luke's for lunatics were founded, as well as the Philanthropic Dispensary. Out of these Middlesex Hospital (1745) is specially interesting in the light it throws on the social conditions of the time. It was a smallpox hospital, specially to cater for the servants of those aristocratic families which came up to London for their season, bringing their domestic staffs with them. Virulent smallpox was then endemic in London, and servants who got

[1] For Firmin's career see the *Dictionary of National Biography*, and Kirkman Gray, *op. cit.*

smallpox frequently were immediately discharged, and turned into the streets, without even any claim on the Poor Law authorities, since their " settlements " were in the country parishes whence they had been recruited. Middlesex Hospital, being founded to meet this special need, gave preference in admission to the applicant who brought a letter of recommendation from a peer of the realm. Next in order of preference came those recommended by subscribers in the order of the magnitude of their subscription ; others were admitted when there was room.

The closing years of the seventeenth century saw another fresh initiative which developed into an important part of our national life. In 1691 Queen Mary directed a letter to the Justices of Middlesex urging them to enforce the laws against profanity and debauchery, and Societies for Reformation of Morals sprang up to see that her wishes were not neglected. The immediate results were, as may naturally be supposed, unfortunate. Great numbers of unhappy women were haled before the courts, and fined, whipped, or shut up in Bridewell, while on many more constables and Justices levied blackmail. But out of this movement sprang, in 1699, the Society for the Propagation of Christian Knowledge, and, shortly afterwards, the Society for the Propagation of the Gospel. The former specially laboured for the establishment of Charity Schools, where boys were taught reading, writing and arithmetic, and girls reading, writing and sewing, the emphasis in each case being laid on reading the Bible. This is the real beginning of our system of Public Elementary Education ; and the religious motive from which it sprang is the cause of the quite exceptional circumstance that provision for boys and girls grew *pari passu*.

From the middle of the eighteenth to the middle of the nineteenth century the history of philanthropic effort to combat poverty and causes of poverty is that of growth

in magnitude, scope and complexity, without any important new departure. But at the end of that period there arose a new spirit of criticism and of protest against the chaos and waste caused by the independent activities of competing organisations, all appealing with varying arts for subscriptions and donations, frequently overlapping, and as frequently encouraging and rewarding proficiency in the art of obtaining charitable aid on false pretences.

In the search for a remedy the Jewish community led the way. Expelled from England in 1290, the Jews were not allowed to return till after the Civil War, and the first Jewish synagogue was created in 1662. The first-comers were from Spain and Portugal, and a Spanish and Portuguese school was started in 1664. An orphanage was founded in 1703, and London's first Maternity Hospital in 1747. The later immigrants mostly came from Germany, and the community grew in numbers both of poor and of rich, the numbers of the former being kept up by fresh arrivals from the Continent. By the beginning of the nineteenth century there were three Synagogues, known as the Great Synagogue, the Hambro' and the New. New immigrants had no claim on the poor law, and if in need depended on the help of their co-religionists, which was given indiscriminately by means of doles distributed by the Overseers of each of the synagogues under the supervision of the respective Presidents. The system was called "schnorring," and those who benefited "schnorrers," and as the wealthy Jews more and more migrated from the East End, where the poorest congregated, "schnorring" tended to develop into a fine art and a specialised profession.

In these circumstances the "Jewish Board of Guardians" was created in 1858, began its work in 1859, work which has been continued ever since. By a happy coincidence its beginning was contemporaneous with the admission of Jews to Parliament. The Board of Guardians is an elected committee, working through about a dozen

special subsidiary committees, which successfully enlist and direct a great number of voluntary workers. The fundamental principles on which they work are (1) thorough investigation, (2) adequate assistance, (3) maintenance of the self-respect and self-reliance of the person assisted. As an illustration of the working of these principles the methods of the Loan Committee may be cited. The loans are given on personal security, usually the signatures of two friends of the borrower who are nearly as poor as he is himself; they are given to buy tools or plant, or to set up the borrower in business, and a voluntary worker is appointed to keep in continual and friendly touch with the family till the loan is repaid.

Ten years after the creation of the Jewish Board of Guardians there was formed the Society generally known as the "Charity Organisation Society," which aimed at doing for London as a whole the same sort of service as the Jewish society was doing for one community. Among the original founders was Miss Octavia Hill, and her maxim, "Never touch a case of distress unless you have a plan, and never leave it until you have carried out the plan in its entirety," was accepted by the Society as its ideal. In 1920 it summed up its record in the following words:

> "The Society was born at a time when the situation in London was: 'on the one hand a confused mass of poverty, crime and mendicancy, living side by side with the independent wage earners under conditions of overcrowding and insanitation, and baffling all the efforts of authority and benevolence; on the other hand, a Poor Law administered so as to aggravate the evil, and a host of philanthropic societies and individuals confused and helpless before the magnitude of the demands made upon them.'[1]
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> "Its original full title, reflecting perhaps too strongly the conditions of its birth, was 'The Society for Organising Charitable Relief and Repressing Mendicity,' and

[1] *Social Work in London*, by Mrs. Bosanquet, p. 17.

it was not till 1910 that this became 'The Society for Organising Charitable Effort and Improving the Condition of the Poor.' It must be admitted that the name is something of a handicap. The word 'charity' has been degraded in public estimation to the levels of 'relief,' and 'organisation' to many people suggests officialism and red tape.

"Under whatever title, the Society has from the first aimed at something much more than the mere organising of relief. Organisation was the crying need of the moment, but the authors of the Society looked beyond the need of the moment, and when they discovered, in the person of Charles Stewart Loch, the genius who was to be their guide and inspiration for 35 years, the larger ideas began to shape themselves into constructive schemes. Thus, beginning with the endeavour to bring about co-operation between Charity and the Poor Law, in pursuance of which many of their members joined Boards of Guardians or took part in Poor Law conferences which did much to raise the tone and quality of Poor Law administration, the Society advanced to the consideration of Housing and Sanitary Reform. It was mainly responsible for the creation of the Mansion House Council on the dwellings of the poor, and was publicly thanked by the Minister in charge of the first Artisans' Dwellings Act, passed in 1875. For many years the Society agitated for reform in hospital administration, and for the creation of a Central Hospital Board; it saw its hopes fulfilled in the formation of the King Edward's Hospital Fund Committee; and later on the system of Hospital Almoners, which has now been adopted by most of the London Hospitals, was entirely due to its initiative. The more intelligent treatment of vagrancy was another object in which the impulse to reform was acknowledged by the Local Government Board to have come from the Charity Organisation Society. In 1875 the Society took up the cause of the class then known as 'improvable idiots,' and after many years' steady pressure its efforts were rewarded by the appointment of a Royal Commission, of which Sir Charles Loch was a leading member, and whose report was mainly his work; five years

afterwards the Mental Deficiency Act of 1913 became law. The Invalid Children's Aid Association, now one of the most popular and useful institutions in the country, was described by its founder as 'the offspring of the Charity Organisation Society,' and though the Association became independent in 1888 it has never ceased to work in the closest co-operation with the C.O.S.

"In more recent times the Society has taken the lead in the formation of Schools for Mothers and of Health Societies, of which the earliest and one of the most successful, the Westminster Health Society, was started by one of its District Committees." [1]

The work of the Society has been of immense service in developing a technique of "case work," and insisting on the need of "understanding the thoughts as well as the wants of those who ask for assistance," of endeavouring to meet moral as well as material needs, and of making the assistance given really and permanently helpful. This positive side of its work has hardly been duly appreciated, because of the prominence which it has given from time to time to a negative side. "With all *sound* (my italics) schemes for uplifting the poor . . . the C.O.S. has always been in sympathy"; [1] but in determining what schemes are sound it appeared to many people deliberately to close its eyes to certain glaring facts. "Strictly speaking, they would say there is no class 'poor' any more than there is any class 'sick.'" [2] At least up to the close of the nineteenth century it appeared to assume that prosperity, leisure and freedom from pressing pecuniary anxiety were equally possible to all people who made the necessary—and wholesome—effort to obtain them; and equally denied to all people—with unimportant exceptions—who did not make such effort. Hence, under Sir C. S. Loch's guidance, for years it devoted a vast amount of effort to fighting against the proposal of Old Age Pensions

[1] *Occasional Paper*, No. 25, Fifth Series, 1920.

[2] *Occasional Paper*, No. 13, Second Series, 1900.

at the cost of public funds.[1] This was no isolated eccentricity, but a logical result of the Society's economic theories, which it appears to have taken over *holus bolus* without scrutiny from the officials of Poor Law Board, accepting as authoritative the crude and unscientific dogmas venerated by them as " the principles of 1834."

In consequence, the growing realisation of the principles that underlie the positive side of the work of the C.O.S., instead of strengthening and expanding the Society, has in the twentieth century developed alternative methods of organisation. It must not, however, be supposed that the Society is ceasing to be of value or importance : the following table [2] indicates the contrary :

	Applications made.	Assisted.	Cases in which relatives contributed.
Average 3 pre-war years -	18,493	7,439	1,199
Average 4 war years - -	12,255	6,329	2,065
1918-9 - - - -	10,851	5,946	2,477
1927-8 - - - -	16,836	8,567	3,531

The increase in number of applications, of cases assisted, and particularly of those in which relatives contributed, has been continuous since 1918-9. The work is done through District Committees, of which there are 28 in London, each of which has one or more paid whole-time workers while enlisting all the voluntary workers it can. Some forty-odd similar societies for other English towns are comprised in the " Federation of Charity Organisation and Kindred Societies."

A fundamental weakness of the C.O.S. is that its voluntary workers are almost entirely ladies coming from at least moderately well-to-do homes, who, but for this work,

[1] The C.O.S. view was explained by Sir C. S. Loch, *Old Age and Pauperism* and W. A. Bailward, *Old Age Pensions and the Poor Law.*

[2] *Sixtieth Annual Report.*

would in most cases have very little direct touch with the sort of life lived by the applicants for help with whom they have to deal. This was inevitable originally, but unfortunate, as the danger of lack of mutual understanding, with consequent mutual suspicion, can only be avoided by an exceptional degree of sympathy and tact on the part of the helper. Later the rise in the standard of education and prosperity among manual workers made it possible to recruit volunteers from wives of working men, but they did not readily come into Charity Organisation Societies. Hence from the beginning of the twentieth century there appeared, chiefly in industrial towns, a movement for establishing "Guilds of Help," which "aim at *uniting citizens of all classes* for the purpose of providing a friend for those in need of help or advice, deepening the sense of the collective responsibility for the care of the poor, promoting co-operation among public and charitable agencies and social workers, preventing overlapping and waste of effort, and bringing influence to bear by personal effort or through public bodies to lessen or remove the causes of poverty." Very similar in objects and methods are the local Councils of Social Service which have sprung up chiefly since the war. These have their central organisation in the National Council of Social Service, with its Standing Conference of Personal Service.

The Charity Organisation Society publishes, for London, the *Annual Charities Register and Digest.* Various local Councils of Social Service have published surveys and directories of public and private organisations and activities for social amelioration for their own districts. But no complete register for the whole country exists, nor could such a register be kept except by a Government department exercising compulsory powers. Fresh societies are born continually, struggle, live or die, but if they live, mostly live known to but a few people, and if they die, die unnoticed. But more and more the need of

federation and co-ordination is being recognised in this as in so many other phases of the national life.

Meanwhile the ancient links between Christian teaching and almsgiving have never been severed. To maintain them is part of the work of Roman Catholic priest, Anglican clergyman and Dissenting minister alike, and also of the Clerks of the Society of Friends. Amid the priestly laments over the decay of religious observance and the growth of irreligion, the power of the teaching and example of Jesus of Nazareth remains, and its influence over the conduct of men and women increases.

CHAPTER III

MUTUAL AID AND VOLUNTARY HEALTH INSURANCE

The most important of our institutions which employ the principle of Mutual Aid for combating poverty are the Friendly Societies, the Trade Unions and the Co-operative Societies. All these are based psychologically upon both benevolence and prudence, that is upon a blend of altruistic and self-regarding motives, and so differ fundamentally in their nature, though not in their function, from those organisations, such as " Collecting Societies," Industrial Insurance Companies, and Savings Banks, which merely exploit the prudential motive. Deposit Friendly Societies are a connecting link between Friendly Societies of the old type and Savings Banks. Of Friendly Societies there is a great multiplicity of types. With regard to their objects they are classified by the Registrar according as they are for burial only, or for sickness also, for old age and sickness, or for other purposes ; with regard to their methods, into societies which do, and which do not, share out their funds periodically ; with regard to their organisation, into local societies, national orders with branches, and centralised societies.

The membership of Friendly Societies at the end of 1926 is given by the Registrar as over 7,000,000, and the accumulated funds at £91,000,000 ; that of Trade Unions at 4,447,000, with a fund of £12,000,000 ; that of the retail consumers' Co-operative Societies at 4,859,000, owning a capital of over £100,000,000 and

sharing £16,000,000 among themselves as " dividend on purchases." As the membership of all three forms of working-class organisation largely overlaps, the total membership is probably about ten millions. It is worthy of note that the dividends on purchases distributed by the Co-operative Societies are approximately half as much again as members' contributions to Friendly Societies, and twice as great as the annual contributions to Trade Unions.

FRIENDLY SOCIETIES

The greatest, most ancient and most famous of Friendly Societies is not included in the above statement ; it is the international and secret order of Freemasons, which, if not founded, as is claimed, by Solomon, at least has its origin as far back as Imperial Rome. When Freemasonry first came to England is perhaps known to those who are most deeply versed in its secrets, perhaps not ; it may possibly have operated as a continuous influence in London and other boroughs where Roman traditions survived from the time of Agricola, and thus may have sown the seeds of the mediaeval Gilds.

The earliest known forms of English Gilds are the Frith Gilds of pre-Conquest London, formed to suppress theft, and the Religious Gilds of Anglo-Saxon England, which were probably a form of Burial Society, providing for prayers for the souls of dead brethren. The Merchant and Craft Gilds of later times were also Friendly Societies, providing this and other benefits in addition to their other activities. The Yeomen's Gilds of fourteenth-century London were precursors of the Trade Unions ; existing ostensibly for the purpose of making pilgrimages to a shrine and paying for masses for the souls of their dead, they were in reality associations for forcing up wages. Two derivations of the term " Oddfellows " have been suggested, linking them up with their ancient forerunners. One is that " Oddfellows " should

be pronounced "Hod Fellows," and that they were associations of labourers in the building trade, and date back from the time when the Freemasons were artisans in the same industry. A much more probable derivation associates them with the Craft Gilds—that they were associations of the odd men—of men of crafts too small to form separate craft gilds, or labourers.[1] That some sort of connection is a fact appears to be indicated by the once elaborate initiation ceremonies of the Oddfellows and kindred societies, and their traditional love of badges, insignia and banners, and of the equally traditional annual feast.[2]

Not until the latter part of the eighteenth century do Friendly Societies emerge into the light of history, as institutions worthy of note in literature and demanding the recognition of the State. Daniel Defoe mentions them in his *Essay on Projects* (1693), and in the *Gentleman's Magazine* for 1745 an Oddfellows' Lodge is commended as a place where a comfortable and recreative evening could be spent, and the blindfolded initiates be seen soused in a tub and tickled with a bramble bush. Crabbe's poem *The Village*, published in 1783, has a sympathetic account :

"The Poor man has his club ; he comes and spends
His hoarded pittance with his chosen friends ;
Nor this alone, a monthly dole he pays
To be assisted when his health decays ;
Some part, his prudence, from the day's supply,
For cares and troubles in his age, lays by ;

[1] See Robert W. Moffrey, *Rise and Progress of the Manchester Unity of Oddfellows*, from which particulars of the history of the Manchester Unity given below are taken.

[2] *The State of the Poor* (1797), by Sir F. M. Eden, gives some interesting evidence with regard to the connection between the Friendly Societies and the gilds (vol. i. p. 597), and particulars with regard to types of societies known to him (pp. 600 *et seq.*). He estimated that there were when he wrote about 600 societies in London, with an average membership of 80, and an average income of £1 per annum per member (vol. i. p. 460).

The printed rules he guards with painted frame,
And shows his children where to read his name. . . .
This is his pride, it gives to his employ
New value, to his home another joy."

In 1786 Mr. Acland published a proposal for creating a National Friendly Society, of which membership should be compulsory, working men contributing in proportion to their earnings, thus anticipating the National Insurance Act of 1911. This proposal was discussed by, among others, Adam Smith and Sir F. M. Eden, both of whom condemned the compulsory principle.[1]

In 1793 an Act of Parliament was passed to encourage the formation of friendly societies, as for instance by freeing the members from liability to be removed by the Overseers from the parishes in which they happened to be living to those in which they had their settlements, and enabling them to give their rules legal force by having them confirmed by the magistrates. This seems to have greatly stimulated their growth in urban districts ; but Eden, who enquired into the working of the Act shortly afterwards, in his *State of the Poor* published in 1797, states that the law also " annihilated many societies." [2] In some parts the Justices of the Peace favoured and encouraged the clubs as a check to the increase of pauperism and poor-rates ; in others they feared that any meetings of working men would " degenerate into debating clubs, and that convivial meetings on a Saturday night might become the aptest vehicles for disseminating principles subversive of subordination and submission to the laws of our country."

This conflict of opinion lasted on through the Napoleonic wars. The merits of the societies were undeniable ; equally undeniable the fact that they were dangerous to subordination and submission. After

[1] *Ibid.* vol. i. p. 373 *et seq.* and p. 603.

[2] *Ibid.* p. 601. The Act itself is given in the Appendix, vol. iii. p. ccxx *et seq.*

Waterloo, in the issue for October 1816, the editor of the *Quarterly Review* urged that "wealthy and intelligent gentlemen" should join the local clubs as honorary members, paying subscriptions but not receiving benefits, and attend the meetings regularly "to awe into silence those turbulent spirits who may wish to propagate mischief."

From this time the history of Friendly Societies becomes intertwined with that of Savings Banks, and both with the career of John Tidd Pratt.

The idea of Savings Banks was first propounded by Daniel Defoe in 1697; it was forgotten for a century, and then revived by Jeremy Bentham in 1797. It was then taken up, and the first was started by the Rev. Joseph Smith of Wendover in 1799, and in 1817 there were seventy in England, four in Wales and four in Ireland. In that year an Act was passed, probably on Tidd Pratt's initiative. He was a barrister who wrote numerous books to explain the working of particular laws, *e.g.* those relating to the Income Tax. By this Act interest was allowed to trustees of savings banks who deposited their funds with the Commissioners for the reduction of the National Debt at a rate slightly above 4 per cent., so that they could give 4 per cent. to depositors.[1]

The next year, after an enquiry by a Committee of the House of Commons, an Act was passed to regularise the functions of magistrates with regard to Friendly Societies; and in 1829 Tidd Pratt, who in 1828 had been appointed Consulting Barrister to the Commissioners for the reduction of the National Debt, was given the task of examining their rules and reporting on them to the Justices of the

[1] Tidd Pratt published a history of Savings Banks in 1830, in which he states that "The establishment of male Friendly Societies for nearly a century past has counteracted the pressure of poor rates." His Savings Banks Act was modified in 1844 to bring down the rate of interest to 3 per cent., and subsequently again altered to reduce it to 2½ per cent.

Post Office Savings Banks were advocated by Samuel Whitbread in 1807, but his bill to create them was rejected by Parliament, and it was left to Gladstone to establish them in 1861.

Peace. In 1846 he became the first Registrar of Friendly Societies, and held this office until his death in 1870.

The chief problems and difficulties of Friendly Society work may be illustrated by certain episodes in the history of a single one. I take as my example the one which has long been, and still is, the biggest, the Manchester Unity of Oddfellows.

The first problem, which was faced at the beginning of the nineteenth century, was that of creating an organisation large and solid enough to give a real security to the members that the assistance which was due to them in sickness and old age would actually be available, and yet to retain the close personal ties of mutual knowledge and friendship which gave the breath of life to the little local clubs. The simplest form of organisation was that of the Penny Club, which had no common chest and no treasurer, but in which each member was pledged, as long as he was in work, to pay a penny a week to any member who was sick. When one member died, or moved elsewhere, another could be elected to take his place; but as the original members grew old it would obviously become difficult to induce new members to join, as they would have to contribute much and receive little. Another type was, and is, the sharing-out society, which has a common fund and a treasurer, but which annually shares out whatever surplus of receipts over expenditure there may be at the end of the year, and which consequently may be said to die annually and annually to be reborn. This also is liable to fail a member just when he wants the help most. The third type was that in which a permanent fund was created and invested, growing by the increment of interest as well as by the excess of contributions over benefits as long as sickness and mortality rates were low, and thus accumulating a reserve against future liabilities.

The Manchester Unity was formed *about* 1810, as a federation of the lodges of Oddfellows in the immediate neighbourhood of Manchester, all of which seem to have

been societies of this third type. The advantages to be gained by federation were obvious. Manchester was, of course, the centre of the rapidly growing cotton industry, which commonly yielded great profits, but which was subject to great vicissitudes, and frequent strikes and lock-outs. Manual workers, whether cotton operatives or not, had to move frequently in search of employment, and it was a great advantage to Oddfellows to be able to transfer their membership from one lodge to another within the same Unity. Further, according to the law of chances, the incidence of sickness and death varied greatly as between one lodge and another, in some being much above and in some much below the normal. The creation of a common fund, into which all contributed and from which unfortunate lodges could be assisted, was a source of strength to all, and merely a further application of the fundamental Friendly Society principle.

That from the beginning the advantages of federation were widely recognised is indicated by the fact that in 1821 the movement spread to America, the Duke of York Lodge at Preston granting a charter to the Washington Lodge at Baltimore. The American lodges also multiplied, and in 1826 " the Grand Sire of the American Order " came to England and received a Grand Charter enabling the American lodges to form a Sovereign Grand Lodge of America. In 1840 the connection with America was severed, as the English orders wanted to simplify the ceremonial, while the Americans wanted to elaborate it. But in the same year an Australian lodge was opened in Sydney.

In 1827 the first Board of Directors was elected ; in 1831 the first auditors appointed, and in 1844 there was the first attempt to impose limits on the autonomy of lodges. At the " Annual Grand Committee " it was resolved, after a stormy discussion, that all lodges must send in annual financial statements. When these came in it was found that lodges usually made the contributions

too small and the promised benefits too large. It was accordingly enacted that each lodge must keep a separate fund for any benefits promised other than sickness and burial, and that for these two benefits not more than one shilling per week sick pay and one pound at death might be promised in return for each halfpenny per week of contributions. This regulation led to a wholesale secession of lodges. In the midst of the struggle the Secretary of the Unity, William Ratcliffe, seized the opportunity of a fund being raised for the benefit of sufferers from the Irish famine to appropriate the sum of £4,000, the whole of the central fund, and when he was prosecuted it was found that the law gave no protection to Friendly Society funds. It became necessary immediately to agitate for a change in the law, to create a new central fund, and to appoint a new Secretary. To this post the Unity appointed Henry Ratcliffe, the brother of the defaulter, at a salary of £150 per annum, and he for many years laboured heroically at the task of working out, on the basis of the returns from lodges of actual experience, the scales of contributions necessary to cover all the different scales of benefits adopted by lodges. In 1864 his graduated tables were adopted, and then a struggle to enforce them had to be carried on by dint of expulsion of refractory lodges.

Meanwhile legal protection to the funds was given in 1850, and a consolidating Act was passed in 1855. Soon after the Earl of Albemarle denounced the Manchester Unity as " the greatest swindle of the age," and the controversy so provoked led to the appointment of a Royal Commission in 1870, and a new law in 1875. Quinquennial returns to the Registrar were demanded by the 1855 Act, and quinquennial valuations, already resolved on by the Manchester Unity in 1868, were required by the Act of 1875.

These valuations are determinations of the estimated present value of all assets and liabilities, with the object

of ascertaining whether, on the assumption that no new members join, and that no existing members withdraw for any reason other than death, the funds will be sufficient to meet all claims for sick pay, old age pensions, funerals, or other benefits contracted for. In calculating assets, estimates must be made of the amount of interest that may be expected to accrue to the invested reserve, and of the future contributions of members. Hence assumptions have to be made, based on previous experience, of (*a*) future incidence of sickness, (*b*) future incidence of mortality, (*c*) future rates of interest on gilt-edged investments. Every quinquennial valuation of the Manchester Unity showed a net deficit up to the end of the nineteenth century, and yet it was in a sounder financial condition than almost any other society. On the other hand the Manchester Unity showed a net surplus with the first valuation of the twentieth century, and the Friendly Societies, taken as a whole, also somewhat later. The reason of both the deficits and the subsequent surpluses is that from 1873, the date of the first valuation, continually lower rates of interest were assumed up to 1899, the date of the sixth valuation; but in 1904 it was clear that rates of interest had risen, and were likely to remain higher than the bottom rate of the nineties.

Recent experience, however, has altered also the other elements in the actuarial problem. The advance of medical knowledge and the greater facilities for obtaining skilled advice and treatment now available, have postponed death for all classes of the population, but this prolongation of life, not being "by reason of strength," but in the main a retention of existence for aged and otherwise enfeebled people, has greatly increased the percentage of the sick. There has been a gain to the funds from reduced funeral benefit expenditure, but a greater loss from increased sick pay. The difficulty has mostly been met by making sick benefit cease at the age of sixty-

five, and after that age giving a reduced benefit as an old age pension.

In 1908 part of the burden on the Friendly Societies was removed by the State provision of Old Age Pensions, and in 1911 the Health Insurance Act, which carried out a policy first urged in the eighteenth century, has made them a part of the national Health Service, and brought them under strict governmental control. To these topics we must return later.

The largest of the Orders with Branches are the Manchester Unity, with, at the end of 1926, 752,079 members, the Rechabites (713,069), the Foresters (572,044), the Ashton Unity of Shepherds (251,574), and the Sons of Temperance (242,039). Of the centralised societies the Hearts of Oak with 424,923 members is much larger than any other, and the National Deposit Friendly Society, with 781,477 members, is even more supreme in its class.[1]

The following table indicates the recent tendencies :

Membership.

	1920	1926
Orders with Branches	3,056,639	3,190,344
Centralised Societies	1,143,778	1,139,222
Deposit Societies	816,426	1,175,694
All Friendly Societies	7,388,151	7,491,169

Paid at Death.

Orders with Branches	£539,773	£609,358
Centralised Societies	217,696	269,182
Deposit Societies	43,803	62,418
All Friendly Societies	1,036,220	1,201,137

N.B.—The mortality rate in 1920 was exceptionally low.

Sick Pay.

Orders with Branches	£1,930,947	£2,636,367
Centralised Societies	786,602	1,191,071
Deposit Societies	295,269	604,478
All Friendly Societies	3,135,152	4,693,738

[1] *Annual Report of the Registrar of Friendly and Industrial Societies.*

Medical Aid and other Benefits.

Orders with Branches	£260,603	£373,400
Centralised Societies	170,133	415,006
Deposit Societies	529,260	946,624
All Friendly Societies	1,997,866	3,377,428

Funds.

Orders with Branches	£35,525,564	£43,031,684
Centralised Societies	14,733,583	21,213,822
Deposit Societies	8,535,242	14,241,267
All Friendly Societies	68,210,878	92,125,381

These figures indicate (1) a rapid growth in membership in the Deposit Societies, much slower growth in the great Orders, and a net decline in the remaining societies ; (2) increases all round in the total funds ; (3) great increases in the expenditure on sickness, in the forms of both sick pay and medical aid.

Another notable feature has been the increase of Female Branches (in the M.U.O.F. first authorised in 1893) and Juvenile Societies.

TRADE UNIONS.

With the Trade Unions we are here concerned only in their aspect of societies giving to members benefits similar to those of Friendly Societies. The financial importance of that side of their work, subsidiary as it is to their main function of negotiating with employers and defending the standard of wage, is shown by the following figures for 1925, which may be taken as the latest approximately normal year. On the receipts' side we have in round figures Members' Contributions £8,000,000, State subsidy to unemployment benefit £3,000,000. On the expenditure side, dispute pay £313,000, political fund £114,000, sick and accident benefit £789,000, funeral benefit £317,000, superannuation benefit and grants to members £1,053,000, unemployment pay, in addition to the State subsidy, £1,400,000. Out of the total of these outgoings the dispute pay and political fund

together absorbed less than 11 per cent. On the other hand, in the disastrous year 1926, with the prolonged coal mining stoppage and the general strike, dispute pay cost the unions £5,600,000, and left them the poorer by a loss of 300,000 in membership and of over £4,000,000 from their accumulated funds.

The early history of Trade Unions is nearly as obscure as that of Friendly Societies, though much more effort has been devoted to its investigation. What connection, if any, they have with the mediaeval Gilds is still a matter of dispute. With the help of the Francis Place manuscripts Mr. F. W. Galton has worked out the eighteenth century history of trade unionism in the London tailoring trade, and he has also ascertained that the Devonshire woolcombers had a union quite early in the seventeenth century. While Friendly Societies up to 1793 were ignored by the law, Trade Unions were actually banned by it up to 1824, and, partly for that reason, the line of demarcation between the two forms of organisation was a very fine one. As an example of an eighteenth century society on the borderline mention may be made of the "Chesterfield Union Benefit Society," which was removed from the register in 1927.[1] It was founded in 1792. The members, 131 in number, met each fourth Friday at the Old Chesterfield Arms, paying at each meeting 1s. 6d. into the box, and contributing 3d. to the evening's entertainment. They had to be Gentlemen's servants, natives of Great Britain, and certified as having had smallpox. They were obliged to convey to brother members early and exclusive information of any jobs going, and the funds could be drawn upon to secure substitutes for any members called upon to serve in the militia.

From 1824 onwards the history of English trade unionism is too well known to need recapitulation. Only a few points need be touched on here. Legal protection only

[1] *Annual Report of the Registrar* (1928).

came in 1871, following the Royal Commission of 1869. One of the chief questions of dispute before that Commission was whether the unions should be obliged to have separate accounts and funds for friendly society benefits on one hand, and for trade purposes on the other. This was demanded by the employers, but strongly resisted by the unions. If it had been enforced probably the unions would have been less solid and durable, but also less pacific. Trade unionism flourished greatly from 1871 to 1876, but declined to a very low ebb in the subsequent depression. With the revival from 1882 onwards there was a great relative growth of unions with smaller contributions, which do not provide sick pay or funeral benefit.

Those unions which do provide these benefits are brought, so far as that part of their work is concerned, into the same relationship with the Ministry of Health as Friendly Societies by the Act of 1911 and subsequent Health Insurance Acts. All unions which give unemployed pay are similarly connected with the Ministry of Labour, and they are able, through that Ministry, to recover from the Treasury about two-thirds of the money actually so distributed.

Of the Consumers' Societies on the Rochdale plan, commonly known as Co-ops, which constitute the characteristically British form of Co-operation, it need only be noted here that they provide a peculiarly good form of Savings Banks. Members' deposits, the greater part of which are inaccurately called "withdrawable shares," commonly receive 5 per cent. interest, as against $2\frac{1}{2}$ per cent. in Post Office Savings Banks; the money is used productively, and it is nearly as safe and as easily withdrawn. Savings, moreover, can be made with the minimum of psychological strain, merely by allowing dividends on purchases to accumulate.

The history of Consumers' Co-operation previous to 1844, when the celebrated Society of the Rochdale

Pioneers was founded, is as obscure as that of other working-class movements of the eighteenth century. That the Woolwich dockyardsmen some time before 1760 built a co-operative mill to provide themselves with flour is known because it was burnt down in that year, and the Woolwich private millers complained to the House of Commons that the dockyardsmen were accusing them of having set it on fire.[1] The mill was re-erected and continued to function for over a hundred years, till after the foundation of the Royal Arsenal Co-operative Society. Whether it was unique when it was first built is a question on which no information appears as yet to be available.

[1] The millers' petition is recorded in the Journal of the House of Commons. See *Memorials of Woolwich and Plumstead* by W. T. Vincent.

CHAPTER IV

THE ELIZABETHAN POOR LAW

In primitive communities, whether composed of fishers, hunters, pastoralists or agriculturists, the elementary and instinctive social forces of sympathy and comradeship have to suffice for the creation of such customs and accepted obligations as may be necessary to help the weaker to survive. In mediaeval Britain these forces were supplemented by the teaching and discipline of the Church, enforced by bishops and parish priests through the machinery of the confessional, penance and absolution, and backed up by the terrors of purgatory, with, in reserve at the last resort, the power of imposing the dread sentence of excommunication. With the passing of the Middle Ages all this organisation failed to cope with the disintegrating forces which, dissolving social bonds, were creating a great mass of unemployed and destitute people, " idle vagabonds," " sturdy beggars," and of consequent misery, violence and crime. The problem was portentous, too full of social and political menace to be ignored by monarchs, and taxing the wits of their ministers and advisers to devise remedies. The power of the State exercising civil compulsion had to be called in, and after a century of experiment the celebrated 43 Eliz., the " Old Poor Law," was passed in 1601, laying down principles and creating a machinery of public relief which, however modified and supplemented since, has not yet been discarded. There have, indeed, been numerous attempts to supersede the Poor Law with regard to some of its func-

tions, as by sanitary codes, health and unemployment insurance, old age pensions, but these have not as yet diminished the financial importance of the Poor Law. The expenditure has increased century by century. The first official enquiry into the total amount of the poor-rates levied in England and Wales was made by the then Board of Trade in 1696, and produced an estimate of £400,000, or about 1s. 8d. per head of the population. The second estimate, in 1776, gave a total of £1,529,000, or about 4s. per head ; and then there was a rapid increase to £2,000,000 in 1786.[1] The maximum in proportion to population for the nineteenth century was 13s. 3d. per head, reached after the close of the Napoleonic War. But in 1925 it was £36,000,000, rather over 18s. per head, the number receiving relief having more than doubled and the cost having trebled since 1913.

It is easy to enumerate causes of the agrarian, social and industrial revolution of the sixteenth century, which left us the Poor Law as our inheritance, though it would be too difficult to determine their relative importance, or to trace out their complicated inter-relations. A simple classification must here suffice.

Political Causes.—Eden attributed the increase of destitution to the growth of freedom. "When the nation consisted principally of the two classes of landholders and servile cultivators, the latter had, at least in ordinary times, a fund to which they could resort for maintenance ; and, although they could not acquire property, they were, in general, certain of food ; because it was, of course, the obvious interest of those who could command their services to provide for their support." [2]

Testing this *a priori* argument by history, we find that up to about the end of the thirteenth century the conditions depicted by Domesday persisted, and that although there were important centres like London, the Cinque

[1] S. and B. Webb, *English Poor Law History*, Part I, pp. 153-4.

[2] Eden, *op. cit.* vol. i. p. 58.

Ports and the "Domesday Boroughs," perhaps also the forests and hills (like the Weald and Sherwood) where greater freedom and social equality prevailed, yet agricultural communities of manorial serfs subject to feudal lords represented the dominant form of social structure and comprised the greater part of the population. In feudal England the fundamental territorial unit was the "knight's fee," *i.e.* the estate which was adequate to maintain a horse soldier, fully equipped with defensive armour and offensive weapons, according to the approved standard of the time. As long as heavy-armed knights, whose military efficiency was the result of an elaborate training, physical and moral, from childhood to middle age, formed the backbone of armies, feudalism and serfdom rested on a solid basis. But at the close of the thirteenth century, and the beginning of the fourteenth, the Welsh under Llewellyn demonstrated the efficacy of the long bow, and the Scots under Wallace that of the spear, wielded by the foot soldier; with the result that from Creçy (1336) the English archers, drawn from the ranks of the peasantry, demonstrated their military superiority to all other troops which came into the field against them, until at Formigny (1450) they met their match in other foot soldiers, recruited from the French peasantry, equipped with fire-arms.

When on the field of battle the serf could prove himself a better fighting man than his lord, the foundation of feudalism was undermined. The structure remained for a time. But the further development of gunnery by which baronial castles ceased to be impregnable tended to shift the balance of power from the baronage to the Crown, and this tendency was made effective by the suicidal faction fight known as the Wars of the Roses. Then began in England that social change which Adam Smith, in the light of later similar experience in Scotland, so lucidly analyses in the *Wealth of Nations*. The baron became a courtier; dignity and importance were sought by main-

taining hosts of indoor servants instead of feudal retainers paying quit rents for small holdings, by luxury in dress, furniture and entertainment. Estates were made to yield maximum money rents, the spending of which stimulated urban industries and commerce, particularly the importation of wine. This change was declared by More to be the greatest cause of the increase of crime, and one common to England and Western Europe :

> " There is a great number of gentlemen which cannot be content to live idle themselves of that which other men have laboured for, their tenants, I mean, whom they poll and shave to the quick, by raising their rents (for this only point of frugality do they use, men else through their lavish and prodigal spending able to bring themselves to very beggary) these gentlemen, I say, do not only live in idleness themselves, but also carry about with them at their tails a great flock or train of idle and loitering serving men which never learnt any craft whereby to get their livings. These men as soon as their master be dead, or be sick themselves, be incontinent thrust out of doors." [1]

Agricultural Causes.—The developments indicated above were facilitated by advance in agricultural efficiency, and in turn further stimulated that advance. Internal trade benefited by the increased strength of the central government, and this encouraged the commercialising of agriculture. Mining and metal working industries progressed, making possible the improvement of ploughs ; and from Fitzherbert's [2] observations we can deduce that there was much experimenting in new types. That this experimenting led to more effective ploughing during the sixteenth century is shown by the fact that at the end of it the standard yield of wheat per acre was double that of the Middle Ages.[3]

[1] *Utopia*, Book I. [2] *The Book of Husbandry* (1523), opening pages.

[3] Some particulars of yields are given in Lord Ernle's *English Farming, Past and Present*; by Thorold Rogers (*History of Agriculture and Prices*) ; and Adolphus Ballard (*The Black Death in Witney, Oxford Studies in Social and Legal History*, vol. v.).

Heavier yields of grain produced by improved ploughs and better tillage necessarily bring the following consequences : (1) In lack of an expanding market the price of grain tends to fall, and a diminution of the acreage under the plough is enforced. (2) The arable fields, while producing larger crops of grain, produce smaller crops of weeds, and therefore give less feed to sheep and cattle, so that an extension of pasture is demanded. (3) The traditional methods of cultivation can no longer be continued without causing exhaustion of the soil. The Berkhamsted experiments show that in England wheat can be grown continuously, on the same land, without manuring, and that after the yield has fallen to about ten bushels per acre the exhaustion of the soil ceases and a balance is reached. Mediaeval agriculture produced smaller crops than ten bushels, did not neglect manuring (Chaucer's ploughman " Had of dong laid many a fothur "), and provided periodic fallows, and therefore could not have exhausted the soil. But when crops of wheat went up to sixteen bushels per acre soil exhaustion became possible, and in the sixteenth century was noted as a new and embarrassing problem.

All these causes tend to break up the old village communities, to provoke conversion of tillage to pasture, to cause the abandonment of old village customs, and to reduce the demand for agricultural labour.[1] Increase of wealth and of productive power brought unemployment and destitution to many of the producers, as indeed usually happens when property and power are very unequally distributed.

Monetary Causes.—In the sixteenth century English and European money was silver. Through the re-opening of the mines of Germany, and later by the flow of silver from Mexico and Peru, silver became relatively more abundant, and silver prices rose. By debasing the coinage to one-third of its previous silver content Henry

[1] R. H. Tawney, *The Agrarian Problem in the Sixteenth Century* (1912).

VIII and Edward VI aggravated the rise so far as England was concerned. In order to reach equilibrium in foreign trade English money prices had to rise in proportion to the fall in the silver content of the shilling. During the slow progress of attaining equilibrium there was a bonus on export, and the chief exportable commodities were wool and woollen goods.

Meanwhile the great increase of prices (relatively less for grain than for other things, for reasons stated above) created a great gap between the old customary rents and the competitive rents obtainable under the new conditions. Where the old rents persisted, manorial lords, though keener than ever on living luxuriously, had the mortification of finding greater and greater difficulty in meeting the expenses of living even on the old scale, while they saw their tenants getting rich rapidly, and impudently improving their standard of living. The problem for the lord was how to replace customary rents by competitive rents, and in many cases this was solved by evicting the villagers, taking the land in hand, giving up its relatively difficult, laborious and unprofitable use for corn-growing, and turning the old " fair fields full of folk " of Langland's vision into sheep-walks. Hence, as More put it in the famous passage in *Utopia*, the sheep " be become so great devourers that they eat up and swallow down the very men themselves ; they consume, destroy and devour whole fields, houses and cities," and so " the husbandmen be thrust out of their own, or else by coven and fraud, or by violent oppression they be put besides it, or by wrongs and injuries they be so wearied that they be compelled to sell all," and getting but a pitiful price for such forced sales " they must needs depart away, poor silly wretched souls, men, women, husbands, wives, fatherless children, widows, woeful mothers with their young babes. . . . And when they have wandered abroad till that be spent, what can they else do but steal, and then justly pardy be hanged, or else go about a begging. And

yet then also they be cast in prison as vagabonds, because they go about and work not, whom no man will set to work." [1]

Ethical and Intellectual Causes.—These are analysed, and their importance emphasized, by R. H. Tawney in his *Religion and the Rise of Capitalism*, but with reference rather to Western Europe as a whole than to England particularly.

Taking our own country alone, the most important developments in the field of popular religion and effective theological teaching may be classed under three heads.

(1) There was a reversion of the tone of religious teaching with regard to the subject-matter of the ancient controversy between the Pelagian heresy, of the importance of conduct, and the orthodox Augustinian doctrine of Grace. Pelagius, the first great British contributor to religious thought, denied Original Sin, holding that newborn children were as innocent as Adam before the Fall ; and he asserted that human effort was of some avail for the attainment of virtue, and that Jesus brought salvation through His teaching and example rather than by being crucified. Bede thought that Saints Germanus and Lupus had, by their miracles and imprecations, completely stamped out this heresy, but it was an expression in dogma of the natural tendency of the British lay mind. Only in exceptional periods has the ordinary householder and father of a family given more than formal adherence to the doctrines of Predestination, Salvation by Faith alone, the all-sufficiency of Divine Grace, or held that all human righteousness is merely filthy rags. How Pelagian was the tone of English popular religion during the fifteenth century is indicated by the famous allegorical Mystery Play, *Everyman*. Everyman is summoned by Death to Divine Judgment, he seeks a companion to go with him and plead for him ; all others fail, but his Good Deeds bear him company and plead for him successfully.

[1] *Utopia*, Book I.

After a century of fierce religious conflict Bunyan returned to this topic in *Pilgrim's Progress* ; then Good Deeds no longer availed, and Ignorant, who trusted to them, after landing on the shores of the Heavenly City, was caught up by angels and thrust into a shaft which descended directly to the Bottomless Pit.

In the Middle Ages our people received their religious instruction through Miracle Plays, the preaching of itinerant friars, and the teaching and example of the parish priests, which, on the ethical side, was probably the most important channel of instruction. Religious instruction, like the dominant dramatic form of literature, was a social matter ; and its main concern, at least in the hands of parish priests like Chaucer's Poor Parson, was the enforcement of social ethics. But with the translation of the Bible into English there came also the triple conflict between Catholic, Lutheran and Calvinist doctrines, all mutually intolerant, all, however much they differed in other respects, alike appealing to the authority of Athanasius, Augustine and the other Fathers of the Church. Correct theological opinion, in accordance with the particular sort of orthodoxy favoured by the preacher, became the burden of the sermons ; clerics who, like Hugh Latimer, denounced social oppression were rare exceptions.

(2) Even if the Church had been more concerned with the lives of the poor, and with justice between classes, its power was crippled, undermined by the abandonment of clerical celibacy, the subordination of the Church to the Crown, and the familiarising of the lay folk with the controversies raging round Purgatory and the Sacraments. Anselm could defy William Rufus ; Lanfranc, John ; and Grossteste, Henry III, with impunity ; but the Tudor monarchs could send bishops or archbishops to the stake or the executioner's block, and never do penance afterwards, as King Henry II had to at St. Thomas' tomb. As it was in the kingdom, so it was in the village ; the

priest could no longer dare with the old assurance to reprove the lord.

(3) The old doctrines of the virtue of almsgiving and the sin of usury, though not altogether abandoned, could no longer be maintained in entirety; they were too violently in conflict with the economic trend of the time, which called for enterprise and favoured individualism. A popular religious book of the Middle Ages, which Caxton thought worthy of translation and publication, tells the story of a gentleman who was permitted to know how his three wives fared after death. The first had violated her marriage vows. She was sentenced to a hundred years of purgatory for each separate offence. The second had attained the fashionable high forehead by plucking out hairs. She was condemned to a thousand years of torture, her hair perpetually growing and as perpetually being torn out by the roots by little imps. The third spent her dress allowance on her own adornment instead of clothing the poor, and died possessed of twelve gowns. She was sentenced to everlasting damnation. This would have seemed strange doctrine to the Elizabethan prelates. So many ways were found of lending and investing money and getting a return of profit, that the prohibition of usury was made of no effect; and to live in luxury in the midst of destitution ceased to be regarded as mortal sin. Opinion, particularly Protestant opinion, condemned begging as a sin, rather than the withholding of alms.

Hence, while the problem of destitution was terribly aggravated, the old means of dealing with it became ineffective.

For long the legislature could devise no better plan than, on the one hand, passing laws [1] ordering the officers of boroughs and parishes to collect what money they could for poor relief by voluntary contributions, with the help

[1] Summarised by Sir George Nicholls in *History of the English Poor Law* (1854), vol. i.

of the incumbent's sermons ; and on the other hand, multiplying the statutes against vagrancy, and endeavouring, with equal cruelty and futility, to keep discharged servants and evicted peasants virtuously occupied in their native villages by inflicting on unemployed wanderers such punishments as the stocks, whipping, branding with hot irons, and slave service, either to a master or in the royal galleys. But both in England and on the Continent the cities and larger towns took action. The very economic conditions which created unemployment in the country also created an increased demand for labour in the towns. In the almost complete absence of knowledge of hygiene and of sanitary provision, the lack of soap, and the extreme difficulty for the poor of washing their scanty woollen clothing which was worn without change day and night, the towns were repeatedly decimated by plagues, in the Black Death even losing probably the greater part of their populations ; and even in years free from epidemics, endemic diseases probably kept death rates nearly as high as birth rates.

The towns therefore for their very existence required immigrants. William the Conqueror, who, like all the more enlightened monarchs of the Middle Ages, favoured the municipalities as a counterbalance to the barons, encouraged migration up to the volume the townsfolk desired by the enactment that any serf who was received in borough and stayed for a year and a day should thereby become a free man. In the fourteenth century, Parliament, dominated by the barons, did what it could to maintain serfdom, and to keep the peasants fettered to their villages, but failed in both efforts ; the boroughs got the new recruits they required. But when the policy of the lords of the soil had changed, and evictions drove hosts of refugees into the cities, in far greater numbers than could be absorbed by ordinary employment, the problem had to be faced and dealt with by new measures. The then prosperous cities of western Germany led the

way, closely followed by those of the Netherlands and France, making provision for organised collection of funds, registering and classifying the destitute, finding some sort of work for the able-bodied, and maintenance for others.

In London, in 1553, a committee of twenty-four leading citizens, got together by the Lord Mayor and Ridley, Bishop of London, worked out a scheme.[1] They classified the poor into the poor by impotency, the poor by casualty, and the thriftless poor, these again being subdivided into orphans, aged, blind, lame, lepers, wounded soldiers, decayed householders, grievously sick, rioters who had consumed all their substance, wilful vagabonds, idle and dissolute. For dealing with the first two classes there were available the ancient hospitals which the City had saved with difficulty from Henry VIII's bands of plunderers, St. Bartholomew's and St. Thomas's for the sick, and Bethlehem for the insane ; and also Christ's Hospital for orphans, built on the site of the celebrated Franciscan Friary. To complete the framework of the institutional equipment, Bishop Ridley secured the grant of the disused royal palace of Bridewell, which was used as a "House of Correction" for able-bodied poor of bad character. Those able and willing to work were dealt with by putting pressure upon merchants to supply raw material and take over the finished products, paying wages according to the value of the work done. The principle of compulsory rates for poor relief had already been adopted by the Common Council in 1547. Other English towns, particularly Norwich, followed the lead of London, according to their judgment of the local need taking measures on similar lines, *i.e.* classification, provision of employment, maintenance of impotent, Houses of Correction, and compulsory rates.

The accession of Queen Elizabeth, with William Cecil as her chief minister, brought a new spirit and a new

[1] S. and B. Webb, *op. cit.* pp. 47-50.

vision into the national administration. In 1563 compulsory poor rates were first initiated; in 1576 the Justices were directed to compel the parishes to provide stocks of raw material on which to set the unemployed to work, and to commit recalcitrants to Houses of Correction. Nor were the Justices left to act or not as they pleased. The Privy Council was developed into an effective administrative engine, and by its Orders in Council and continual correspondence with the County authorities, kept them continually under guidance and supervision.

Towards the end of the century a new agricultural crisis, caused by a succession of bad harvests due to excessive rain, produced famine prices, which reached a climax in 1597, when wheat sold at 10*4s.* a quarter. In the two months of September and October the town of Newcastle buried twenty-five people who died of starvation in the streets, and there is no reason to suppose Newcastle was an exceptional case. There had been occasions in the Middle Ages of similar cases of famine prices; but in the stage when the non-agricultural population is small, and subsistence agriculture prevails, the producers keep their own stores, and though prices rise sharply when crops fail, the people who suffer famine are relatively few. On the other hand, with commercialised agriculture and developed transport and international trade, shortage in any one area is met by importing supplies from elsewhere. England at the close of the sixteenth century was in the awkward transitional stage. The non-agricultural proportion of the population had risen very considerably, and agriculture was dominated by the commercial principle; but there was no export for grain, so that sowings tended to be regulated by the principle of providing just enough to meet the internal demand with an average harvest. In such circumstances disastrous famines result when the harvest is bad. There is thus a curious analogy between the English famine of 1597 and the great Russian

famine of 1922, though in Russia it was drought, and not excessive rain, which caused the failure of the crops, and the agricultural transition was backwards, from commercial towards subsistence agriculture. Parliament met in October, and a series of Acts was passed, of which the one permanently important was re-enacted, with minor amendments, in 1601. This was the 43rd Elizabeth, the Poor Law which has ever since been the basis of our national system of dealing with destitution.

It enacted that in every parish "four, three or two substantial householders shall, under the hand and seal of two or more Justices of the Peace, be yearly nominated in Easter week, and that these, with the Churchwardens, shall be Overseers of the Poor." . . . The Overseers are to "raise, weekly or otherwise, in every parish, by taxation of every inhabitant, parson, vicar or other, and of every occupier of lands, houses, tithes impropriate, or propriations of tithes, coal-mines and saleable underwoods, in the said parish, in such competent sums of money as they shall see fit. . . . For setting to work the children of all such parents who shall not be thought able to keep and maintain them. . . . For setting to work all such persons, married and unmarried, having no means to maintain them, and who use no ordinary and daily trade of life to get their living by. . . . For providing a convenient stock of flax, hemp, wool, thread, iron, and other ware and stuff, to set the poor on work. . . . For the necessary relief of the lame, impotent, old, blind and such other among them being poor and not able to work."

The Churchwardens and Overseers were to meet at least once every month in Church after divine service on Sunday. Within four days after the end of their year of service the overseers had to submit a true account of income and expenditure, and of the stock of material in hand, under penalty of a fine of £20. They were empowered to apprentice boys up to the age of twenty-four,

and girls to the age of twenty-one or marriage. Justices of the Peace were empowered to commit to a House of Correction or to a common gaol the paupers who refused the work provided for them; and to issue warrants of distress for non-payment of rates, and to commit to prison those who failed to pay, and there retain them till all arrears were paid off; but if the rate-payer pleaded that the demand was excessive he could appeal to Quarter Sessions.

Two new provisions were that if any parish were overburdened by its own poor it could call upon other parishes of the same hundred for a rate in aid; and that the mutual liability for maintenance between parents and children should be extended to grandparents and grandchildren.

It is one thing to enact a law, another thing to enforce it. The law of 1601 was carefully drafted with a view to effective enforcement on the basis of the experience since 1597. So far as the duties of the parish officers were concerned, enforcement was facilitated by the fact that the provisions of the Act contained nothing out of harmony with ancient custom and public opinion. Though many parishes in remote districts failed to comply with the Act, the reason probably was that the change from voluntary methods to legal compulsion had in them not yet become necessary. In so far as the administration depended on the Justices of the Peace, great efforts were made by the Privy Council to see that there was no shirking. It appears that in the more populous counties at least Houses of Correction had already been established, and some authoritative contemporary writers, at least, highly commended them. Coke[1] wrote: "Few or none are committed to the common gaol . . . but they come out worse than they went in. And few are committed to the House of Correction, or Working House, but they come out better;" Bacon: "I commend most houses of relief

[1] *Institutes*, vol. ii. p. 729.

and correction, which are mixed hospitals, where the impotent person is relieved, and the sturdy beggar buckled to work, and the unable person also not maintained to be idle, which is ever joined to drunkenness and impurity, but is sorted with such work as he can manage and perform." [1] Originally, therefore, they could more accurately be termed Workhouses than the institutions under that name of the nineteenth century. Later they became rather vilely administered prisons, scarcely distinguishable from the common gaols.

The whole Elizabethan system of internal government by means of Privy Council control of county justices, who were directly in charge of local administration as well as administration of civil and criminal law, was well maintained up to the outbreak of the Civil War (1642), but then collapsed, and was never subsequently revived. Cromwell endeavoured to administer home affairs through Major-Generals, in charge of areas comprising several counties; after the Restoration, while parish overseers continued to be nominated by and to work under the supervision of the local magistrates, the latter were left to act according to their discretion. Further, all new legislation relating to the poor law or to local government generally originated from the county benches, and passed because in harmony with their opinion. It was not until the passing of the New Poor Law in 1834 that supervision by a central bureaucratic department was re-established. Though in theory nominated by the Crown, Justices were practically selected by co-option.

The history of poor law administration between 1660 and 1834 is therefore extraordinarily difficult to summarise. At any time, from place to place, it differed widely in both aims and methods, and similarly varied in any one place from time to time. It was frequently callous and cruel; frequently also, inspired by the

[1] *Works* (1837 Edition), vol. i. p. 494.

leadership of some forceful and public-spirited magistrate, well-meant experiments were made, usually successful as long, but only as long, as the original author was able to lavish unpaid labour on working them out. The lack of officials of high enough quality to fill really responsible positions was the chief cause of the subsequent failure. Here only one or two of the most important legislative measures, and most notable administrative experiments, can be touched upon.

Of the first of these laws, the law of Settlement, Lord Passfield and Mrs. Sidney Webb write :

> " We find placed on the statute book, by the first Restoration Parliament, without either previous mention in contemporary literature or recorded discussion in the House of Commons, the Act of 13 and 14 Charles II c. 12 (1662), with unconscious irony entitled ' An Act for the Better Relief of the Poor of this Kingdom,' which has been since known as the Law of Settlement and Removal. This statute presents to the social historian a puzzling enigma. Who were its authors, what were the motives and the circumstances of its enactment, and how the Government and Parliament came to allow so badly drafted a measure to become law are questions that are as yet unanswered. The Law of Settlement and Removal inflicted, during the ensuing couple of centuries, so much hardship on individuals, and, indirectly, also on the whole body of manual working wage-earners ; may be assumed to have interfered so seriously with the economic prosperity of the community, and certainly involved such a colossal and long-continued waste of public funds, that it demands a detailed examination." [1]

In passing, one is tempted to remark that the underlying spirit of the Act is the same as that behind the Statute of Labourers of 1349 ; and that it is not surprising that the land-owning gentry of England should have descended to the moral level of their predecessors of three

[1] S. and B. Webb, *op. cit.* p. 315.

centuries back, after the orgy of religious hate and mutual slaughter just over ; an orgy which may be calculated to have begun when the Cambridge Professor of Divinity (Cartwright, 1571) declared : " Heretics ought to be put to death now ; if this be bloody and extreme, I am content to be so counted with the Holy Ghost " (all non-Presbyterian Christians being included among "heretics"); and to have reached its climax when Cromwell (1649) reported to Parliament after a victory in Ireland, " when they submitted, their officers were knocked on the head, every tenth man of the soldiers killed, and the rest shipped to the Barbadoes," and termed this action of his " a righteous judgement of God."

The one important section of the Act was the " cruel and costly instrument of tyranny and arbitrary oppression of the wage-earning class," [1] the law of compulsory removal. It empowered the Overseers of any parish, by warrant of two Justices, to remove forcibly any newcomer to the parish of his settlement, unless he rented land or house let at £10 a year or upwards, or could give such security as the Justices considered sufficient for the indemnification of the parish against his ever becoming chargeable on the rates, quite irrespective of whether he had applied for relief. From 1662 to 1795, when removal was prohibited unless relief had actually been applied for, any labourer or artisan living outside the bounds of the one parish of all the 15,000 in England and Wales in which he had a " settlement," was liable to be arrested and transported with his family in the custody of an overseer to the parish where he was supposed to be settled, and then, if the overseers of that parish chose to appeal, since the place of legal settlement was not always easily ascertainable, to be transported back again. " Thus was produced the mournful and onerous general post of indigent folk, men, women and children, in all states of health and disease, perpetually

[1] S. and B. Webb, *op. cit.* p. 327.

criss-crossing the kingdom under expensive escort," while litigation arising out of appeal cases was declared, in 1832, to have been the main employment of Quarter Sessions since the Revolution. Efforts to reform and simplify the law relating to the determination of the place of settlement were persistently frustrated by the lawyers.

In towns where there were rapidly expanding industries, or in London, rents later in the eighteenth century rose so high that artisans frequently had to pay four shillings a week or more for such wretched accommodation as they could afford, and so became ten pound householders and irremovable. Scotch and Irish immigrants, having no legal settlement in England and Wales, were exempt. Also it was possible in a certain proportion of cases for a working man, particularly if young and unmarried, to get from the overseers of his native parish a certificate that he was settled in it, and chargeable to it alone, armed with which he could go elsewhere with some assurance that he would not be transported back again. If he were likely to thrive elsewhere, but could get no work in his own parish, it would pay to give him such a certificate. Had it not been for such loopholes as these, the law of Settlement would have imposed an insuperable obstacle to the advance of industry, and doubtless would have been swept away.

During the first half of the eighteenth century the volume of destitution was kept down by the fact that the demand for manual labour tended to increase faster than the supply. During this period, though considerable progress was made in metal industries; in mining, through the use of the early forms of steam engine; and in textiles, through the invention of the fly shuttle for weaving; there were no new developments of manufacturing methods tending to displace labour in any considerable degree. On the other hand commerce and manufacture were expanding. Exports, which amounted to barely three

and a half millions in the closing years of the seventeenth century, averaged over fourteen millions in the decade between 1750 and 1760 ; and the total population of the leading provincial towns, Bristol, Norwich, Nottingham, Birmingham, Sheffield and Liverpool, increased in this period from about 77,000 to about 270,000. The population of London also increased very considerably, in spite of the fact that every year the deaths greatly exceeded the births. The towns had to be maintained by immigration from the country, and there the natural increase was not great, as smallpox killed hosts of infants, and the birth rate was kept down by the custom of unmarried farm servants boarding with their employers, and only marrying late, after accumulating savings and waiting for a cottage to become vacant. According to the best estimates the total population between 1696 and 1760 increased only from five and a half to six millions.

In 1700 the rural population was about 74 per cent. of the whole ; in 1760 the proportion was not much less ; consequently the agricultural demand for labour was the chief condition controlling the labour market, and the urban demand for labour depended mainly on the purchasing power of the rural districts. Hence the extreme importance of the Corn Laws, the tenour of which was changed completely after the Civil War, and still more after the " Glorious Revolution " of 1689, which established a free constitution, and the supremacy of Parliament, and ended monarchical " tyranny " as practised by the Tudors and Stuarts.

Under the old regime the Corn Laws were devised with the object of maintaining abundance and cheapness at home, and for this end export was forbidden except when good harvests created a glut and prices were exceptionally low. Till the death of Elizabeth wheat could only be exported when the price was under twenty shillings a quarter. In 1660 the limiting price for export was raised to forty shillings, and a tax on imports of two shillings per

quarter was imposed until the price reached forty-four shillings. In 1670 all prohibition on export was removed, the import duty was raised to sixteen shillings, and levied at that rate until the price rose to 53s. 4d. per quarter, at which price it was reduced to eight shillings, import only being allowed free when the price reached 80s.[1] More monstrous class legislation can hardly be conceived. The aim was clearly to secure an average price round about 60s. to 70s. a quarter, and this at a time when the rate of wage for London unskilled labour was little over sixpence a day. In 1689 the coping stone on the system was provided by giving a bounty on export of five shillings per quarter on wheat when the price was at or below 48s., and similar bounties on the export of barley, rye and malt, while shortly afterwards the importation of cattle from Ireland which was being attempted was prohibited. The national legislature was used as an engine for driving up rents by decreeing scarcity and dearth of an intensity amounting to actual famine for the propertyless class.

But, just as under Elizabeth prohibition of export produced the very scarcity which it was intended to prevent, so the opposite policy had results somewhat different from those anticipated. Prices of cereals failed to rise. Between 1660 and 1700 the price of wheat averaged about 50s. a quarter, between 1700 and 1740 about 42s., between 1740 and 1760 about 39s.[2] The bounty on export took away the fear of a glut, the prohibition of import held out a hope of exorbitant prices ; farmers were encouraged to aim at maximum output, both by extending the area under the plough, and by more thorough and intensive cultivation, and there was ample scope in the country for both forms of progress. The level of success attained is

[1] The provisions of this series of Acts are given in Lord Ernle's *English Farming Past and Present.*

[2] Louis M. Moffit, *England on the Eve of the Industrial Revolution* (1925), p. 285.

indicated by the figures for export,[1] here stated in annual averages :

Decade.	Wheat export.	Malt export.	All cereals.
	qrs.	qrs.	qrs.
1700-1709 - - -	104,000	115,625	295,725
1710-1719 - - -	104,000	209,100	364,800
1720-1729 - - -	114,600	270,700	425,800
1730-1739 - - -	294,500	185,100	532,200
1740-1749 - - -	289,000	246,000	650,600
1750-1756 (7 years) -	433,143	292,800	855,471

Both the increase in the area under tillage and more thorough cultivation involved increased demand for agricultural labour. The general tendency of money wages was upwards, of food prices downwards, and the labourer profited by increased purchasing power and a higher standard of living. While thus real wages rose moderately, farmers' profits rose also, but landlords' incomes in a much higher degree, and those of tithe owners probably most of all. Thus the Corn Laws did serve the purpose desired, though not in the way intended.

During this period of comparatively favourable conditions of employment for the employable, that is for the able-bodied who had been trained for effective labour either in agriculture, manufacture or crafts, the problem which most engaged the attention of social reformers was the creation of unemployables, either by family destitution arising from the death or sickness of the bread-winner ; or from the demoralisation produced among town-dwellers by overcrowding, insanitation, ample opportunities for getting drunk on cheap gin, the temptation to crime afforded by the flaunting of ostentatious wealth, the savagery of the criminal code, the extreme inadequacy and inefficiency of the police, and the cor-

[1] Louis M. Moffit, *England on the Eve of the Industrial Revolution* (1925), p. 286.

ruption of the magistrates. The best line of attack appeared to be to provide industrial training.

Thomas Firmin, as we have seen, led the way. In his establishment "at once school and factory, wholesale warehouse and retail shop," he is said to have maintained 1700 people whom nobody else would employ, training them from the age of five upwards in all the processes of linen manufacture, and giving light work to aged people, some nearly blind. The proceeds of the sale of the goods manufactured were distributed among the workers as wages, and Firmin, out of his other resources, brought them up to subsistence level by gifts in kind. Other men able and willing to work so hard at a very difficult and exacting task, and to pay out of their own pockets for the privilege, were not to be found ; but what Firmin achieved held out a prospect that efforts on similar lines supported by public funds might well lead to great results. Firmin himself urged that every parish which had many poor should set up an industrial school for orphan and deserted children, provide home work for widows and deserted wives with young children, and asylums for the aged.

A great discussion arose with regard to this and similar proposals, in which John Bellers, Locke, Daniel Defoe and other prominent men took part ; among them John Cary, a leading citizen of Bristol, then the second city of England, with a population of about 29,000. Cary published a tract in 1695, and followed it up next year by inducing the Mayor and Aldermen of the city to promote a local Act of Parliament for completely remodelling its poor law administration. The growth of trade in Bristol and the great activity and prosperity of the port, in harmony with the standing economic paradox, had led to the result, according to the preamble of the Act, that "the poor in Bristol do daily multiply, and idleness and debauchery amongst the meaner sort doth greatly increase." Bristol contained nineteen parishes, each

independent for poor law administration, the overseers of each endeavouring to drive the poor out of their own areas, and spending the rates in litigation over settlement, scarcely a hopeful organisation for dealing with so difficult a social problem. The act accordingly relieved the overseers of their functions, established a single uniform poor rate over the whole city, and created a new elective "Corporation of the Poor," to which was entrusted the duty of building a spacious workhouse, where able-bodied should be compelled to work and furnished with materials, and children should be "bred up to labour, principles of virtue implanted in them at an early age." The Corporation should also provide for the aged, and should be empowered to compel lazy and idle people to work, and to apprentice boys to the sea and girls to domestic service.[1]

Many other towns followed the Bristol example, and in 1723 a general Act was passed permitting Overseers to maintain workhouses and to "offer the house," refusing relief to those who declined to enter; but not allowing parishes to unite for this purpose. What unions were created (and they were fairly numerous) were authorised by special local Acts. In 1782 the right to unite for the purpose of building workhouses was conferred on parishes by what is called Gilbert's Act, but the same measure also made the workhouse test illegal.

The new workhouses naturally failed, either as a means of enabling unemployed men and women to earn the cost of their maintenance, or as a means of training children in industry and virtue. They usually began fairly well, and degenerated rapidly. At their best, according to William Marshall, writing at the close of the eighteenth century, they were places where existence for the inmates was barely tolerable, at their worst they were, he says, "like a cotton mill." Detailed descriptions of sample institutions are given in the reports of the Assistant

[1] S. and B. Webb, *op cit.* pp. 116-120.

Commissioners to the Poor Law Commission of Enquiry of 1832—young and old, sick and well, decent and vicious, all herded together indiscriminately, with no separation except that of men from women, and sometimes not even that. Naturally local public opinion usually turned against them. Outdoor relief given sparingly, sometimes honestly, sometimes corruptly distributed, remained the predominant method of coping with destitution.

Devices for dealing with able-bodied paupers by giving them employment other than by providing them with stocks of raw material for them to work on in workhouses were tried in numerous cases. In the earlier part of the eighteenth century the commonest expedient was to hire out pauper labour to contractors ; in the latter part to set men to work on the roads. The change indicates the growth of a humaner spirit ; but ill-disciplined and resentful gangs under such supervision as was provided were apt to do little useful work, and to be a nuisance to those who used the roads. The variety of expedients attempted with varying success defies summary ; but one instance of brilliant success deserves a great deal more attention than it has received.

In 1774 the Cranbrook poor law officers took over a farm of 499 acres at a rent of £302, borrowed capital to work it, and put it in the charge of trustees. The rent was subsequently raised, and the trustees gave up part of the land, and in 1816 they were farming 429 acres at a rent of £448 a year. They employed twenty permanent men at the current rates of wages, and sent the old men and boys in the poorhouse, averaging thirty in number, to work with them. The boys were so well trained that farmers in the neighbourhood were glad to take them into employment as farm servants, the old men got pocket-money in addition to maintenance, and for eighty years the farm worked at a profit. But the whole of these proceedings savoured of unorthodoxy in the nostrils of

the central authority set up by the New Poor Law of 1834, and in 1855 the Poor Law Board compelled the trustees to give up the farm and to wind up their accounts. After discharging all liabilities they had a balance of between £3,000 and £4,000, and this the Poor Law Board confiscated![1] Benenden, also in the Weald of Kent, successfully worked a hundred-acre farm in the early years of the nineteenth century, but there is less information available about it.

It is easy to see why the Cranbrook experiment succeeded when almost every other attempt to deal with the problem on similar lines failed. The old men were doing the sort of work they had been accustomed to, and were worth their keep and pocket-money. Assuming that they were not too hard pressed or exposed to bad weather, the farm work must have made life pleasanter for them, and human nature being what it is, one may assume that they would incite the boys to do their best, and to take a pride in mastering the manifold arts of husbandry. The twenty farm labourers employed at regular wages would naturally value their jobs for the greater independence and regularity of employment than on ordinary farms, and would be anxious to make the enterprise a success. As for the boys, farmers' traditional arithmetic is said to run: "A boy is a boy, two boys is a boy and a half, three boys is no boy at all." In other words, to get the maximum value out of boys' labour, only one boy should be assigned to one man as his assistant. This plan also provides the most effective training which can be attained without the employment of special instructors, and it would naturally have been adopted at Cranbrook.

As an example of what can be done very efficiently and economically in the way of combating unemployment if a little sound common sense is used, the Cranbrook experiment deserves careful consideration. One other point with regard to it may be observed. On an average

[1] Robert Furley, *History of the Weald of Kent*, vol. ii. Part ii. p. 668.

fifty men and boys were employed on 429 acres—or one worker to each 8½ acres. In this proportion the 30 million acres of cultivated land in Great Britain would employ three and a half million workers. To bring up our labour force applied to the land to this level would require twice as many additional workers as we have now (June 1929) unemployed. Under present conditions of land tenure and management to employ even one million extra agricultural workers would not pay financially; farmers, in fact, are still trying to make ends meet by further reduction in the number of men employed, though in the long run this is probably a mistaken policy. We can only guess at the number of men our agriculture could advantageously employ if national welfare, and not pecuniary profit, were the test of advantage, and existing knowledge fully utilised.

CHAPTER V

THE BREAKDOWN OF THE OLD POOR LAW AND THE PASSING OF THE NEW

The period of rising prosperity for the rural worker ended about the year 1760, the year of the accession of George III, and that selected by Arnold Toynbee as the date of the beginning of the Industrial Revolution. Many causes combined to alter the balance between urban and rural life, raising the former and depressing the latter. War demands stimulated metal working industries; the use of steam engines for pumping and hoisting in mines was getting steadily more general, even before the firm of Boulton and Watt was able to supply the improved engines of Watt's invention. The plunder of Bengal after Plassey (1757), followed by the practical monopolisation of Indian trade by the British East India Company after the capture of the French stronghold of Pondicherry (1761), and the defeats of the French at sea and in America during the Seven Years War, made London the great emporium of the trade between Europe and the continents of Asia, Africa and America, and the West Indies. Strange to say the subsequent French and American victory in the war of American Independence (1776-1782) only served to develop still further the advance of British commerce; for the emancipated colonies, no longer hampered by the foolish efforts of Parliament to compel them to carry on their trade and industry in the manner supposed to be of maximum advantage to the mother country, produced more freely

for export, and sent their goods to the best markets, which they found in Bristol, Liverpool and Glasgow. Very shortly the export of Sea Island Cotton began, to be followed at the beginning of the nineteenth century by American Uplands, made available for spinning by Eli Whitney's invention of the saw gin. Before the coming of Indian and American supplies of raw material France had enjoyed a comparative advantage over the British Isles in cotton manufacture, as Asia Minor was the chief source of raw cotton and Marseilles the most convenient port of importation. The successive inventions which revolutionised spinning and weaving from 1759 onwards were thus given full scope. The war debts, which even as early as at the close of the Seven Years' War were felt to be excessively burdensome, increased the numbers of those whom Cobbett termed " tax eaters," regarding them as the worst sort of social parasite.

English agriculture was already sufficiently commercialised to respond to the new situation, the essential feature of which, from the rural point of view, was the rapidly expanding urban market for all manner of agricultural products, but particularly for animal products, beef, mutton, wool, hides, skins, butter and cheese. Bakewell and other pioneers produced improved breeds of sheep and cattle, of quicker maturity, with less bone and more meat in the carcase. The primitive methods of breeding of former times, when the small-holders of a village combined to buy a village bull, and put the care of their sheep in charge of a village shepherd, became obsolete ; scientific breeding demanded large farms under individual control, with an increased proportion of grass. Good pasture fetched higher rent than any arable land, and the heavy clay lands of the Midlands, fertile but expensive to work, the stronghold up to then of open field arable cultivation, became much more profitable to farmer and landlord when enclosed and laid down in grass. The enclosure movement all over England

proceeded rapidly. While in some parts it involved conversion of arable into pasture, in others it meant draining marshes and ploughing up wastes to clear the land of wild growth; in others again the proportion of arable to pasture was little altered. But everywhere it meant hedging, and hedging is a labour-saving device; and everywhere it meant larger farms, and the elimination of small freeholders, copyholders and tenants.[1] Since increase in the production of dung inevitably kept pace with increased output of beef and mutton, where the area under the plough was diminished, each acre, being better manured, gave a heavier crop, and so, with the help of the ploughing up of wastes, the agricultural balance was maintained, the total output of both cereals and of animal products being increased, the former moderately, the latter greatly. Up to the end of the eighteenth century the expanding urban population was still fed out of the produce of home agriculture, and exports of grain on the average exceeded imports.

But all these changes, so favourable to the increase of the wealth, taxable capacity and military and naval power of Great Britain, which enabled the kingdom to emerge triumphantly from the twenty-two years' struggle (1793-1815) with Republican and Imperial France, were calamitous to the rank and file of rural workers. The forces tending to depress them were threefold. Firstly, the proportion of propertyless labourers, the rural proletariate entirely dependent on their wages, grew as the numbers of those who depended in part or entirely on little properties, little tenancies, and on common rights, were cut down. In the near neighbourhood of towns there was compensation in the rise of money wages, but in the more purely agricultural districts there was a notable decline, from about 1770 onwards, in real wages, money wages being nearly stationary, and food prices

[1] G. Slater, *The English Peasantry and the Enclosure of Common Fields* (1907), pp. 261-6.

rising between 1760 and 1793 from 50 to 100 per cent., the rise being greatest in the regions furthest from London, now called upon to a much greater extent to supply urban markets.[1] Lastly, as the new spinning machinery invented for the cotton industry became adapted also to other textiles, the by-occupation of spinning wool and flax, which had occupied so many women and children, vanished from the cottages.

As in the sixteenth century, increased wealth and increased efficiency in production during the three decades intervening between the close of the Seven Years War and the beginning of the great French War, increased the demand for labour in the towns and reduced it in the country. If the towns had been decently healthy, and the mobility of labour with regard to both place and occupation perfect, rural workers might not have suffered; but the illiteracy of rural and urban workers alike, the exclusiveness of trades, and the imperfect development of means of transit, made labour very immobile, and this was aggravated artificially by the Poor Law and the Law of Settlement, and southern England became full of congested districts.

Meanwhile the population, which during the first half of the eighteenth century had been growing so slowly that a controversy arose as to whether it was not actually declining, and Parliament passed measures to encourage immigration, about 1760 began to increase at an accelerating rate. The population of England and Wales in 1700 is estimated at about 5,500,000; in 1760 at about 6,000,000; by the census of 1801 it was found to be 8,892,536, and the rate of decennial increase went on rising, the total enumerated being 10,164,256 in 1811 and 12,000,236 in 1821. The rate of increase was certainly much greater between 1793 and 1801 than between 1760 and 1793, but estimating the population on the declaration of war in 1793 at 7,900,000 we still have an increase

[1] W. Hasbach, *History of the English Agricultural Labourer* (1908), pp. 123-5.

of nearly two millions for the 33 years between 1760 and 1793, as compared with an increase of half a million only in the 60 years between 1700 and 1760.

It is a matter of controversy to what extent this increase was due to a rise in the birth rate, and to what extent to a fall in the death rate. Miss M. C. Buer [1] has argued the case for the latter view, but has pushed it rather further than the evidence justifies.

In London, apart from times of visitations of specially destructive epidemics, like plague, which ceased to trouble England after the seventeenth century, and cholera, which did not arrive till the nineteenth, the decades 1720-1750 was the time of maximum death rate.[2] Typhus reached a climax with the Black Assizes held at Old Bailey in April 1750, when the infection from prisoners on trial spread to the court, so that between fifty and sixty of those present died, including several of the jury, one barrister, the Lord Mayor of London, an alderman and an under-sheriff, one of the Justices of Common Pleas and a Baron of the Exchequer. Efforts at cleaning

[1] *Health, Wealth and Population in the Early Days of the Industrial Revolution* (1926).

[2] The following are the figures for London "within the Bills of Mortality" for certain years :

Year.	Recorded births.	Recorded deaths.	Excess of deaths.	Estimated death rate.
1710 - - -	15,623	21,461	5,838	38·3
1720 - - -	17,111	23,909	6,798	41·9
1730 - - -	18,203	27,492	9,289	47·4
1740 - - -	16,830	26,492	9,662	43·7
1750 - - -	14,457	25,352	10,895	40·9
1760 - - -	17,156	22,001	4,845	33·8
1770 - - -	19,784	24,943	5,159	36·1
1780 - - -	19,248	23,851	3,603	32·2
1790 - - -	21,477	23,080	1,603	28·8
1800 - - -	22,605	24,270	1,665	28·2

As the population at different dates cannot be estimated with certainty, the figures in the last column must only be accepted with caution.

up the metropolis were shortly afterwards made by the Corporation of the City and by the authorities of some of the London parishes, particularly the more populous ones in the West End. Nothing on an adequate scale was done for another hundred years, but some useful improvement was effected. Smallpox deaths, which were separately recorded, in London reached their maximum in 1763, the number being 3,582, and subsequently declined till the end of the century, being 522 only in 1797, the credit perhaps being due to the Middlesex Hospital, established in 1746 for gratuitous inoculation with attenuated virus.[1]

Another factor in the reduction of the death rate was undoubtedly the rise in the efficiency of the medical profession. Pathology began to be a science in the hands of John and William Hunter, and the Hunterian School of Medicine which began the teaching of medical science was started in 1746. In 1745 the College of Surgeons (afterwards "Royal") was founded by the breaking away of surgeons from the ancient company of Barber Surgeons, and in 1747 Percival Pott began his lectures in Surgery, which attracted many distinguished pupils. Shortly afterwards the students in the hospitals began to form associations for mutual improvement.

Another force tending to reduce the London death rate was the reduction in the excessive consumption of gin, which had attained a monstrous height, the maximum output of British distilleries at 11,000,000 gallons being reached in 1751, having trebled since 1727, the London gin shops having increased to 17,000. As the consumption of spirits so far as the working classes were concerned was practically confined to London and the big towns, in these it probably was not less than six gallons per head per annum, rum and smuggled brandy being taken into account as well as the native product, as compared with

[1] Vaccination for outpatients was adopted in 1807, and for inpatients in 1821.

less than a gallon now. After 1751 more judicious taxation and licensing laws brought about a gradual improvement.

We further know from Francis Place's material that real wages increased in the tailoring trade from early in the eighteenth century to the outbreak of the French War, after which they fluctuated according to the relative rates of increase of money wages and prices. As the silk industry of Spitalfields was prosperous, and the building trades very busy, the rise in real wages was probably general, and, if so, was probably the most effective cause of all in improving the vital statistics.

The marked reduction in the London death rate was probably reflected also in the older provincial towns, though not in those which were growing most rapidly, in which the influx of new workers outpaced the increase in housing. Further, the improvement in medical and surgical science, and the more intelligent appreciation of the importance of health and understanding of the means of treatment and prevention of disease which was being diffused among the educated classes no doubt diminished the death rate among the well-to-do. This had been enormous, a fact illustrated by the case of Queen Anne, who had seventeen children, of whom all but one died in infancy, and he at the age of eleven years.

But when we turn to the rural workers we find no reason to suppose any decrease in the death rate, but abundant reason for increase in the birth rate. None of the favourable conditions specified above would touch them, with the possible exception of the decline of smallpox. The one important change for them was the decline in real wages and loss of subsidiary earnings, and this certainly increased the death rate. With regard to the birth rate, the engrossing of farms and the extinction of common rights were the conspicuous features of the situation, as is abundantly proved by the volume of controversy about the merits of each process. Arthur Young,

though the leading advocate of enclosure, admits that it made labourers hopeless of social advance and encouraged them to spend any money they might have to spare in alehouses ; in other words, it took away the prudential check to multiplication. Of greater importance was the engrossing of farms, for it led naturally to farmers giving up the practice of boarding labourers in their own houses. Crabbe in *The Village* gives the story of a farmer's daughter returning home from a London boarding school, to find the kitchen also a dining-room, in which, after the men of the family had been regaled on great slabs of beef, the labourers came in to be fed on dumplings and fat bacon. It is easy to see that to a little farmer, whose daughters learnt as much of the domestic arts as their mother could teach them, it was both economical and convenient to have the one or two men he employed under his own roof ; but that with every increase in the number employed the advantage diminished and the trouble and inconvenience grew, until farmers' wives and daughters struck. No longer boarded with their employer, the labourers perforce married if possible ; hence we can accept without question Arthur Young's statement that much of the labour of small farms was that of unmarried servants, and nine-tenths of the great ones that of married labourers.[1]

Another contemporary writer [2] supplies an arithmetical illustration of the effect of this change on the birth rate. If eight small farms, he says, be amalgamated into one large one, and the total of men employed remain unaltered at 32, on the small farms there would be 8 farmers, 8 married labourers and 16 single men boarded by the farmers ; on the one big farm, one farmer, 26 married labourers and 5 unmarried, the probable number of children being increased from 48 to 81. In other words, the change (which he highly approved of) would make

[1] *Political Arithmetic*, p. 295.

[2] J. Arbuthnot (1773), quoted Hasbach, *op. cit.* p. 391.

labourers of seven farmers and push eleven single men into early marriage, the birth rate of the whole community being thereby greatly increased.

To realise the situation of those eleven men it must be borne in mind that engrossing of farms took place especially in parishes where all the land was held by one or only a few landlords, and in such parishes, termed " close " parishes, there was frequently a combination to reduce the number of cottages to a minimum in order to keep down the poor rates. In consequence in neighbouring " open " parishes, with many small owners, it became profitable to put up dwellings of sorts to house the labourers working in the " close " parishes ; very cheap they had to be to.let at the low rents which could be paid and yet make a profit, and they were commonly small, overcrowded and insanitary hovels.[1] The building of such cottages and the overcrowding of them was facilitated by the repeal in 1775 of the Act of Elizabeth which prohibited the occupation of a labourer's cottage by more than one family, and required land to be attached to the cottage. Hence life for such labourers meant a long tramp to work and a long tramp home, for half the year in the dark, to begin and finish a long day's work, a dinner of bread, with or without a bit of cheese—according to the relation between the wage and the size of the family—eaten under a hedge, in the place of hot dumplings and bacon in the farmer's kitchen, with scanty time at home for supper and sleep. Obviously no marital restraint or birth control was possible under such conditions. The life of the labourer was hard, that of the labourer's wife harder. There were couples even under

[1] Eden (*op. cit.* vol. i. p. 361), however, laments very few cottages were built, and that labourers were in the greatest difficulty in getting shelter, mentioning cases of poor folk using the opportunity of a long dark night to build themselves hovels on the roadside or on a common. Proposals for better housing are detailed in " The Housing of the Rural Population in the Eighteenth Century," by G. E. Fussell and C. Goodman, *Economic History Supplement to the Economic Journal*, January 1930.

such conditions who brought up large families without applying for help to the parish, but as the century wore to its close they became fewer, so that we find contemporary authors putting on record the instances which came to their knowledge.

During the first half of the eighteenth century the total expenditure on poor relief increased very little, if at all. The contemporary estimates of the amount at or about 1700 vary between four hundred thousand and a million pounds, but none are very reliable. For the later period we have the following official estimates based on special enquiries : [1]

Average for the 3 years 1748-1750					
	£689,971, about	2s.	per	head	of population.
Year 1776 -	£1,529,780, „	4s.	„	„	„
Average for the 3 years 1783-1785					
	£2,004,238, over	5s.	„	„	„
Year 1802-3 -	£4,267,965, nearly	9s.	„	„	„

Up to the declaration of war against the revolutionary government of France (1793) this portentous increase in the expenditure can only in very slight measure be attributed to a disposition on the part of the overseers and Justices to grant relief more easily or more generously. It resulted mainly from the deterioration of the economic position of the rural worker, and the degradation of standards of life and of self-respect, indicated most clearly by the increase of sexual immorality and illegitimacy.[2]

On the other hand it must not be overlooked that there was among the landed gentry, who as Justices of the Peace controlled local administration, and as patrons of boroughs controlled Parliament, a genuine concern for the moral and material welfare of the disinherited peasantry. At

[1] S. and B. Webb, *op. cit.* pp. 152-154.

[2] A. W. Ashby, *One Hundred Years of Poor Law Administration in a Warwickshire Village* (1912), pp. 81-100 ("Oxford Studies in Social and Legal History," vol. iii.).

times it was the moral condition of the poor which was the chief object of consideration, at other times their poverty. Concern for morality and virtue, particularly the virtue of industry, combined with the desire for economy, led to the institution of the workhouse test and the practice of farming the poor; experience of the cruelty involved in such methods led to their general abandonment, and the tendency to rely exclusively on outdoor relief resulted from an increase of sympathy.

A new phase in the history of the Poor Law opens with the French War. In the spring of 1793, with Britain, Austria, Prussia, Spain and Holland leagued against the Republic, and revolts in the south and west of France, immediate victory was expected, but disillusionment soon came. Two years later Prussia, Spain and Holland made peace with France, and shortly the two latter powers declared war against Britain, and Ireland became a source of great anxiety. It was then realised that the struggle would be a long one, and that the war would have to be fought on the home front as well as abroad. Disaffection had to be combated and physical efficiency maintained. The impoverished rural proletariate of England and the equally impoverished peasantry of Ireland could be relied upon to provide willing recruits for the forces, but numbers were of less importance than marching and fighting power; hence it was vital that the standard of nutrition should not fall below a certain level.

In 1795 the first statutory amelioration of the Law of Settlement and Removal provided that no person, with the exception of rogues, vagabonds, idle and disorderly persons, and unmarried pregnant women, should be driven from his place of residence to the parish of his settlement unless he had actually applied for relief.

In May of the same year took place the celebrated meeting of the Berkshire magistrates at Speen, near Newbury, to consider the emergency caused by the bad

harvest of 1794 and the great rise of food prices. They adopted the resolution known as the "Speenhamland Act of Parliament." In this a scale of estimated minimum subsistence income was set forth, graded according to the price of bread and the numbers in a family; and the magistrates agreed that they would instruct overseers to supplement family earnings out of the rates where necessary in order to bring them up to the scale.

The grading according to prices began with the gallon loaf (8 lbs. 11 oz.) at a shilling, and was worked out for each rise of a penny up to two shillings; with regard to size of family it began with single men and women, going up to couples with seven children. With the loaf at a shilling a family of man, wife and three children were to receive nine shillings a week, *i.e.* three shillings for the man and eighteenpence for each dependent; with the loaf at two shillings the same family was to get fifteen shillings a week, *i.e.* five shillings for the man and half-a-crown for each dependent. A single woman at the lower price was to get two shillings a week, at the higher price two-and-six. Since a gallon loaf weighs 139 ounces, one gallon loaf per week is twenty ounces of bread per day, which may be regarded as a minimum ration for a man at work. If, as the magistrates seem to have thought, women and children require only half as much food as men, the bread ration for a family of five could be bought for three shillings, with the loaf at a shilling. Hence in a cheap year there would be a margin for rent, firing, clothing, soap, candles, boots and shoes, and food other than bread, of six shillings a week, out of which probably at least one-and-six would be for rent. On the other hand, in a year of scarcity, with the loaf at two shillings, the margin would increase to nine shillings, and this, on the reasonable assumption that the average prices of necessaries other than bread would rise by 50 per cent. when that of bread was doubled, would still maintain the family at the same low level.

When Parliament met in 1796, this policy was endorsed and facilitated by an Act which gave power even to a single Justice to order outdoor relief on his own authority, even though the parish might have entered into a contract with a contractor who undertook, for a defined sum, to maintain a workhouse and be responsible for all relief. Naturally the Berkshire example was soon imitated in adjoining counties, and the practice of giving poor relief in aid of wages spread by degrees over the whole of England except the extreme north. It was generally approved by contemporary opinion : even Malthus could not see what else could have been done. The only alternative suggested at the time was a legal minimum wage, and Lord Passfield and Mrs. Sidney Webb say the nation, in rejecting this, made a calamitous choice, an opinion also expressed by Mr. and Mrs. Hammond.[1] But it is not clear even now, any more than it was to Malthus, that any such alternative was possible. The idea of regulation of wages by county benches was familiar enough, and the Elizabethan Act which authorised it was still on the Statute Book, and so naturally the Berkshire Justices at their memorable Speen meeting discussed it, but came to the conclusion that such a policy was neither practicable nor desirable. The question would naturally arise, " Should the minimum wage be the same for all men, whether single or married, and, if married, irrespective of the number of children ? If so, at what rate should it be fixed ? " The Justices thought it necessary to take into consideration families with as many as seven children. With the gallon loaf at two shillings they calculated the minimum subsistence wage for such a family at twenty-five shillings per week. But to hoist wages for all to that level would have bankrupted every farmer in the county. To fix them at any lower level would still leave a gap between wages and subsistence, to fill which resort after all would have to be made to the rates. On the other

[1] *The Village Labourer, 1760-1832*, by J. L. and B. Hammond (1912).

hand, to compel farmers, if they employed a man at all, to pay him a wage determined by the size of his family would almost ensure that the labourers with the largest families would incontinently be discharged. Further, it is not easy to see how the regulations for a minimum wage could be drafted so as to be helpful to the labourer and also acceptable to the farmer, and if the farmers did not accept them, in the absence equally of police and of trade unions, it would be impossible to enforce them. England in 1795 and 1796, threatened at once by famine and invasion, was in much the same position as a beleaguered city, and the war emergency had to be met by emergency measures.

But though not a practicable substitute, the fixing of a minimum wage sufficient to maintain man and wife varying with the price of bread might have been a useful supplementary measure, as it would have put a limit on the fall of real wages in bad years and have prevented the worst consequences which later followed from the allowance system.

Some of the leading members of the society known as the Board of Agriculture, including the President, Sir John Sinclair, the Secretary, Arthur Young, Thomas Bernard and the Earl of Winchelsea, urged that the labourers should be helped to independence by restoring to them advantages similar to those which they had lost through enclosure of commons and commonable lands—enabling them to keep cows if possible; if not, at least to annex large gardens to the cottages. In a few cases public-spirited landowners did this with excellent results, but Parliament refused to make such action compulsory. As in our own time, the propertied class was willing to adopt palliatives, but refused to embark on a constructive policy. But here again enforcement would have been difficult, since in each county it would have to be entrusted to the same men on whom it was to be enforced.

In the decade before the war the annual average price

of wheat was about 49s. per quarter, in the first decade of the war (1793-1802) 74s., in the second (1803-1812) 86s. It also fluctuated violently, being for example 120s. in 1801, 59s. in 1802, 126s. in 1812, and 65s. in 1815. Average money wages roughly kept pace with average wheat prices, but necessarily with a lag, so that real wages at times rose above the pre-war level and at other times fell below it. In the dear years there was much distress because wages fell below subsistence level for a larger proportion of manual workers, in cheap years there was perhaps as much distress from unemployment. That the Speenhamland policy prevented widespread starvation is shown by the fact that the population increased with unexampled rapidity; that it demoralised the labourers is indicated by the increase in expenditure for relief, which, standing at about 5s. per head of population before the war, having risen to 9s. per head in 1802-3, further rose to 12s. 8d. per head in 1812-3, when the total was £6,656,106.

When peace came in 1815 it was hoped that poor rates might be cut down drastically; but a slump in prices drove hosts of farmers into bankruptcy. In 1816 one-third of the banks in the country stopped payment. Parliament attempted to come to the rescue of distressed agriculture by passing the Corn Law of 1815, which prohibited the import of wheat when the home price was below 80s. per quarter, of rye and pulse at prices below 53s., of barley below 40s., and oats below 27s. This was a crude revival, in a form modified for the worse, of the law of 1689, which from 1772 onwards had undergone various modifications. In 1772 importation at a duty of 6d. was allowed when wheat was at 48s., and a bounty on export allowed only when the price fell below 44s. In 1791 a prohibitive duty was levied when the price was below 50s.; in 1804 the limit was pushed up to 63s.

The law of 1815 may have revived agricultural credit and employment in agriculture, but it intensified the dis-

tress of the non-agricultural workers, which in 1816 and 1817 was extreme. A boom in export trade following the retreat of Napoleon from Moscow, and the opening of the Continent to British trade in 1814, was quickly followed by a severe slump, adding to the volume of unemployed caused by discharges of soldiers and sailors, and cessation of purchases of war requisites—food, clothing and boots, as well as munitions of war. The pressure of the debt, greater then in proportion to taxable capacity than to-day, was increased by the adoption of the policy of monetary deflation by which the depreciated paper pound was brought back, all too quickly, to its pre-war gold value. The income tax, imposed reluctantly during the war, at two shillings in the pound, was abandoned, and the heavy taxation, imposed by means of Customs and Excise, hit different classes in inverse ratio to their capacity to pay. In consequence, whereas during the war the manual workers had suffered from lack of employment and inadequate real wages alternately, in the first years of the peace they suffered both of these evils simultaneously. The early attempts at cutting down the poor rates had to be postponed (in 1817-8 the expenditure on relief rose to £7,870,801, or 13s. 3d. per head), but they were not abandoned ;[1] and when the worst of the crisis had passed there were, in many parts of the country, renewed attempts to make poor law administration deterrent.

Meanwhile public opinion, which means, at any time, the opinion of those who can make their opinions politically effective, was influenced more and more by the doctrines set forth by Malthus in outline in 1798, and elaborated in the second edition of the *Essay on Population* in 1803. His theoretical argument was simple enough to be easily understood, and incontrovertible. Nobody could

[1] The table on page 84 shows the fluctuations of the price of wheat between 1813 and 1834, its influence on the cost of relief, and the conditions under which the struggle to reduce poor rates was carried on. The years end on Lady Day.

deny that the fecundity of humanity was sufficient, if unchecked, at least to double the population every twenty-five years, and that increase of food supplies could not possibly keep pace indefinitely with such an increase. With regard to the pertinence of the argument to the actual state of the country, certain facts stared observers in the face; on the one hand the poverty, misery, and degradation of the masses of manual workers, on the other the tale told by the census returns, which showed in 1801 a population (nearly nine millions) exceeding expectation, in 1811 an increase of 14 per cent. on 1801, and in 1821 an increase of 18 per cent. on 1811, and of 37 per cent. on 1801. The inference that the increase of population was the cause of the increase of poverty was natural if illogical;[1] and it was undeniable that the Elizabethan Poor Law as it

Year.	Price of Wheat per quarter.	Cost of Relief.
	s. d.	£
1812-3	108 9	6,656,106
1813-4	73 11	6,294,581
1814-5	64 4	5,418,846
1815-6	75 10	5,724,839
1816-7	94 9	6,910,925
1817-8	84 1	7,870,801
1818-9	73 0	7,516,704
1819-20	65 7	7,330,254
1820-1	54 4	6,959,251
1821-2	43 3	6,358,704
1822-3	51 9	5,772,962
1823-4	62 10	5,736,900
1824-5	67 6	5,786,989
1825-6	58 9	5,928,502
1826-7	56 9	6,441,088
1827-8	60 5	6,298,000
1828-9	66 3	6,332,410
1829-30	62 10	6,829,042
1830-1	67 8	6,798,889
1831-2	63 4	7,036,969
1832-3	57 3	6,790,800
1833-4	51 11	6,317,255

[1] Actually productive power was increasing faster than the population.

was administered tended both to increase births and to diminish deaths among those affected by it. Moreover, the exponents of Political Economy of the day had, by confused thinking with regard to the so-called "Wages Fund," convinced themselves that the total amount actually received by wage-earners in any form of income was always the maximum amount receivable by them, so that whatever was paid out in poor rates was, *ipso facto*, deducted from wages. Hence, from the beginning of the nineteenth century, the doctrine became fashionable that the whole poor law ought to be swept away as speedily as possible, and that the poor should thus be induced to exercise such zeal in securing employment, such industry, forethought, prudence and self-restraint as to provide out of their wages and savings all that was necessary for themselves and their families, including maintenance in old age, and in all but very exceptional emergencies caused by accident, sickness or other misfortune. In exceptional emergencies, it was urged, reliance should be placed on private charity, which has the great merit of evoking gratitude, whereas compulsory giving only incites the recipient to ask for more.

Such an extreme policy was obviously open to objection that starving men would naturally take to theft, and that, as the laws against stealing, which made hanging the penalty for some forms of theft, and transportation for life that for other forms, had already been made as savagely repressive as possible without avail, an intolerable increase of crime and disorder, of arson and riot, to say nothing of importunate begging, would quickly follow the abrogation of the poor law.

Much was made of the cost of relief, though the total declined after 1817 from the maximum level of 13s. 3d. per head of population to 9s. 2d. in 1823-4, and thenceforward had not risen above 10s., while rents of land and the profits of trade and manufacture were increasing rapidly.

Nevertheless a drastic reform was urgently necessary for the following reasons :

(1) Since there were in England some 15,000 poor law parishes, each responsible for its own poor, the pressure of poor rates on many of them was crushing. Many parishes having compelled the labourers who worked in them to house themselves elsewhere had no poor rates at all ; in some they went up nominally to as much as thirty shillings in the pound, which meant in practice that a farmer had to pay as much to the parish overseer as to the landlord.

(2) The poorer the parish the higher rose the rates. If under the combined pressure of unfavourable seasons or low prices, with high rents and rates, some farmers in a parish threw up their farms, the pressure on the others was intensified, so in the disastrous year of 1816 we hear of " parishes to let." They do not appear to have been left long derelict, but one later instance, that of the little parish of Cholesbury in Bucks, where there were only two farmers, both of whom threw up their farms for some unstated reason, was made much of in 1832, and did yeoman service in forcing through the New Poor Law of 1834.

(3) Quite apart from the question whether the money received by the poor out of the rates was really helpful to them or not, there was undoubtedly a great deal of leakage between the amounts collected and the amounts they received, the unpaid overseers finding illicit ways of remunerating themselves for the execution of the disagreeable task thrust upon them.

(4) The allowance system, by which wages were supplemented, was widely used, particularly by farmers in purely agricultural districts, as a means of forcing down the wages paid out of their own pockets. By thus compelling the small-holders who employed only members of their own families to subsidise them, they crushed out many of those who till then had survived,

and so increased still further the numbers of the rural proletariate.

(5) In consequence partly of the recurrence of famine prices from time to time, and of the use made by employers of the rates to economise on wages, larger and larger numbers of labourers found it impossible to earn anything in excess of the amounts stipulated for them by the local bread scale. They thus had no pecuniary motive for exerting themselves, for keeping their jobs, or for giving satisfaction to their employers ; and in these circumstances old habit and honest pride in good work were the only remaining incentives to efficiency. " The evil," says Sir George Nicholls very justly, " fell heavily on all classes alike—on the rich, who paid more for worse labour, and on the poor, who were compelled to receive the equivalent for their labour in a form that must have been repulsive to their feelings of independence and self-respect." That the decline in agricultural efficiency was in fact too small to be discoverable by statistical tests shows how stubborn a fight the labourers put up to maintain their independence and self-respect, but as the demoralising forces continued to operate for a whole generation, the fight on the whole was a losing one.

(6) The worst abuses of all sprang from the operation of the bastardy laws. As has been stated above, increase of poverty and of overcrowding in insanitary cottages increased sexual immorality. With this the law was not directly concerned. But when a labourer's daughter bore an illegitimate child she was almost inevitably forced to apply for relief. The law made both parents equally responsible for the child's maintenance, and it allowed the parish to act on behalf of the mother in enforcing the responsibility of the father. When such cases came before the Justices the oath of the mother was accepted, without further evidence, as establishing the paternity of the child, and the putative father's contribution to its maintenance was determined by his means, and the amount ordered,

whether actually collected or not, was paid over to the mother. Hence, a shameless woman, who had a large illegitimate family, could, by attributing paternity to well-to-do men, live in comfort far beyond her decent neighbours. Immorality, perjury and blackmail were thus effectively fostered by a law intended to penalise seduction.

For the first thirty years of the nineteenth century the demand grew for a drastic reform of the poor law. In 1830 the matter was brought to a head by an outbreak of what may be termed tumultuous, unorganised trade unionism of agricultural labourers, beginning in Kent and spreading westwards, provoked partly by renewed attempts to cut down poor rates by the appointment of paid overseers who aimed at preventing applications for relief by making the conditions for receiving it as degrading as possible, and partly by the introduction of threshing machines, which diminished winter employment. Bands of men went in bodies from one farm to another, demanding in Kent wages as high as half-a-crown a day, in counties further west wages varying between 2s. and 1s. 6d. per day. The movement was quickly put down by force, but the intensity of the panic into which it threw the Government of great Whig families is shown by the ferocity of their revenge ; ten rioters were executed, and about four hundred transported for life. There followed a widespread outbreak of arson, mostly in the form of rick-burning, prefaced by threatening letters signed " Captain Swing," whose identity was never discovered, though the most lavish promises of free pardon and large monetary rewards were made to any accomplice who would betray him or them. In the winter of 1830-1 many farmers in the south-eastern counties spent nights of broken sleep and continual dread of fire, and landowners trembled for their rents. The districts of greatest disturbance were also those where the labourers had been most pauperised, and the conclusion drawn was that the

poor law, as then administered, had ceased to be of use as a safeguard to public order.[1]

A new political situation, supplying the opportunity for carrying the drastic reform demanded, was created by the passing of the Reform Act of 1832. This was with reason declared by a Whig Minister to be "the most conservative measure which could have been passed," for it strengthened the governing class by widening it, and broke down the alliance between the middle classes and manual workers which had forced reform. In boroughs the old democratic franchises [2] where they existed were swept away, while the ten pound householders, at that time including only a very few of the best-paid artisans, got the vote; in counties the larger farmers were enfranchised, the labourers left without votes. The enthusiasm aroused by the struggle for reform gave the Whig Ministry an overwhelming majority, which included a large proportion of Radicals, who had learnt their economic theory from Adam Smith, Ricardo and Malthus, and their political science from Bentham.

Prompted by this wing of their supporters the Government in 1832 appointed a very influential Royal Commission to enquire into the actual working of the poor laws and to draft proposals for reform, with the Bishop of London as Chairman. The two most important members were Nassau Senior, Drummond Professor of Political Economy at Oxford, and Edwin Chadwick, disciple and private secretary of Jeremy Bentham. These

[1] The coming of cholera, the rising intensity of excitement over Parliamentary reform, and still more a series of good harvests, which caused prices to decline steadily from 1830 to 1836, gradually quieted down the revolt. The story is told by Mr. and Mrs. J. L. Hammond in *The Village Labourer, 1760-1832*, ch. xi. and xii., extracted from MS. records in the Home Office and Record Office. For the impression made on the Whig mind see Harriet Martineau's *History of the Peace*.

[2] These boroughs were 59 in number, returning 118 members, and were known as "scot and lot boroughs" where all ratepayers voted, or as "pot-walloper boroughs" where all occupiers of houses or even single rooms with fireplaces where a pot could be boiled, had votes.

two men (and indirectly through them Malthus and Bentham) were mainly responsible for the report and for the legislation which followed it. Their ideas dovetailed ; they easily made converts of their colleagues, and subsequently also of the Cabinet. Instead of summoning witnesses to give evidence in person, the Commission divided the country into districts, and appointed twenty-six Assistant Commissioners to make investigations in the separate parishes, of which about three thousand were visited. The mission of these Assistant Commissioners was not only to collect facts, but also to select those which could be used most effectively for impeaching the existing administration and for building up the case for a reform on certain pre-determined lines ; and from the material so collected the Commission made a further selection of the items which best suited their purpose, and published it in advance volumes of their report for the education of the nation and of Parliament, in which task they were aided vigorously by the publicists of the Malthusian and Benthamite schools, including James and John Stuart Mill and Harriet Martineau.

The full report, which was unanimous, was published in March 1834, and on 14th August of the same year the measure based upon it, the Poor Law Amendment Act, received the royal assent.

The most important of all the changes introduced by this measure was the creation of a new central authority to control the whole administration, consisting of three Poor Law Commissioners, at salaries of £2,000 a year, with a secretary at a salary of £1,200 and a subordinate staff. The Commissioners were soon popularly known as the " Three Bashaws of Somerset House," and they were termed by the Chartists the " Three-headed Devil King." The first task assigned to them was that of superseding the parochial administration of relief by grouping parishes together in Unions, each of which was to elect a Board of Guardians. For membership of these Boards

there was a property qualification in the occupation of property worth £25 a year ; as electors all ratepaying occupiers had votes, one or more up to six, in proportion to the value of the occupation ; all owners of land or buildings also, on the same scale, so that the maximum number of votes exercised by one voter was twelve. Justices of the Peace were *ex officio* members of the Boards. The grouping of the parishes was carried out by the Assistant Commissioners, who proceeded upon the principle of choosing a market town as a centre, and including with it the parishes which it served, so that Guardians should only be called upon to make accustomed journeys to attend meetings, and to deal only with the affairs of a familiar district. This meant, in effect, that the unions were areas within about a ten-mile radius of the centre.

The proceedings of these Boards were regulated by the General and Special Orders of the Poor Law Commissioners. General Orders were such as applied to all unions ; they had to be communicated to the Home Secretary, did not come into force till fifty days had elapsed, and were subject to revision by Parliament. Special Orders were such as were addressed to particular unions, but the Commissioners noticed that the Act did not forbid a Special Order being sent to more than one union ; and so, having, like all bureaucrats, and perhaps justifiably, more faith in their own wisdom than in that of Parliament and politicians, during their first seven years they issued no General Orders at all, while identical Special Orders were sent out by scores or by hundreds to different unions.[1]

In this way the Commissioners were enabled to a large extent to make their own laws, and to modify them from time to time in the light of experience ; subject to the very important qualification that, since the duration of

[1] When, as a member of the Poor Law Commission of 1905-9, Mrs. Sidney Webb asked to see these Special Orders they were brought to her in sackfuls. *English Poor Law History*, Part ii. (1929), vol. i. p. 203.

the Act was in the first instance fixed at five years only, they had in that time to justify their proceedings in the eyes of Parliament, in order that the work might not be prematurely ended. They took it for granted that the chief test of success would be the reduction of the total amount spent on relief. It was also understood that their administration should keep as closely as possible to the spirit of the recommendations of the Report.

The three Commissioners were Thomas Frankland Lewis,[1] J. G. Shaw Lefevre,[2] and George Nicholls,[3] with Edwin Chadwick as Secretary. Of these Nicholls was the only one who had had actual experience of poor law administration. He had, as overseer, reorganised the working of the poor law in the large parish of Southwell in Nottinghamshire, on the principle of utilising the workhouse test and cutting down relief to a minimum, and thus had succeeded in greatly reducing the number of recipients and considerably reducing the cost. The personal relations between these men had very important results upon the later history of the nation, and so demand some notice. The three Commissioners worked together harmoniously, probably because the other two were disposed to give full consideration to the views of George Nicholls. But their relations with their Secretary were difficult. Nassau Senior had been offered the post of Chairman of the Commission but had declined it, and had strongly urged that Chadwick should be one of the Commissioners. As Chadwick had, with the doubtful exception of Senior himself, contributed more than anyone else to the framing of the law under which the Commission had to work, he had no doubt fully expected to be appointed, and it was naturally galling to him to

[1] Afterwards the Rt. Hon. Sir T. Frankland Lewis, Bart. He retired and was succeeded in 1839 by his son, George Cornewall Lewis.

[2] Afterwards Sir J. G. Shaw Lefevre, K.C.B. He retired in 1841 and was succeeded by Sir Edmund Head.

[3] Afterwards Sir George Nicholls, K.C.B., and author of histories of English and Irish Poor Laws.

serve where he had expected to be in control, and still more to serve under men who had taken no part in the strenuous labours of the Commission of Enquiry, and who were indisposed to be enlightened with regard to the esoteric meanings camouflaged in the phrasing of the Act. He was able, energetic, a strenuous worker, a doctrinaire, disposed to undervalue the intelligence of those who differed from him, and indisposed to suffer gladly those whom he regarded as fools. The Commissioners on their side regarded Chadwick as a dangerous and unscrupulous man. The quarrel became so acute that Chadwick was finally excluded, in 1841, from the meetings of the Commissioners, after he had submitted to them a long memorandum protesting against their procedure and practice. He then, while nominally still holding the same office, took up other work which we shall have to describe in our next chapter. When he came to leave the Commissioners' office the parting was a cause of gratification to both sides.

The policy which Chadwick wanted to impose on his chiefs can only be guessed at. But it appears to have been something on the following lines :

(1) Prohibition at the earliest possible moment, *i.e.* as soon as workhouse accommodation was available, of all out-door relief to able-bodied men and women and to their families.

(2) The retention in use of all existing parochial workhouses in each union, and the allotment of each of these to some special class of inmates, *e.g.* children, sick, aged, able-bodied men, able-bodied women ; and the building of additional workhouses in unions where there were not enough for this specialisation.

(3) The substitution as rapidly as possible of in-door for out-door relief for all classes of paupers.

It does not appear that the Commissioners dissented from these ideas in principle, but they were opportunists rather than doctrinaires, and Chadwick's main quarrel

with them, outside personal grounds, was that they were in his opinion shamefully slack and cautious to the point of cowardice in enforcing the policy of substituting indoor for out-door relief on unwilling local authorities. In 1839 the number of paupers in workhouses was about 98,000, those receiving out-door relief over 560,000, and no effective effort had been made even to exclude able-bodied men from the latter category. Further, after a little preliminary vacillation, the Commissioners adopted an entirely different policy from that contemplated in the Report with regard to the sort of institution in which indoor relief should be given, and threw all their influence in favour of the maintenance of a single building in which all classes of inmates should be housed together under the undivided control of a master and matron. This choice was perhaps inevitable, seeing that it was accepted as an invariable rule that whole families must enter and leave together, and that economy and convenience of inspection and administration was considered of greater importance than the moral and physical welfare of mere paupers; but it roused the indignation of Nassau Senior, especially with regard to the immuring of children in the same building with the able-bodied.

That this policy in regard to children might have unfortunate results is indicated by the following passage in an official report on *Physical Causes of Sickness and Mortality*, written by Dr. Southwood Smith in 1839:

> "In going over the Whitechapel Workhouse I was struck with the statement of the fact that, out of 104 children (girls) resident in that house, 89 have recently been attacked with fever. On examining the dormitory in which these children sleep, my wonder ceased. In a room 88 feet long, 16½ feet wide, and 7 feet high, with a sloping roof rising to 10 feet, all these 104 children, together with four women who have charge of them, sleep. The beds are close to each other; in all the beds there are never less than four children, in many five; the ventilation of the room is

most imperfect. Under such circumstances the breaking out of fever is inevitable.

"I was likewise struck with the pale and unhealthy appearance of a number of children in the Whitechapel Workhouse, in a room called the 'Infant Nursery.' These children appear to be from two to three years of age; they are 23 in number, they all sleep in one room, they seldom or never go out of this room either for air or exercise. Several attempts have been made to send these infants into the country, but a majority of the Board of Guardians has hitherto succeeded in resisting the proposition." [1]

Before 1834, while the condition of some of the London workhouses as described by the Assistant Commissioners was almost inconceivably abominable, at least the children were excluded up to the age of six, since the law of 1761 obtained by Jonas Hanway required that they should be housed at a distance of not less than three miles from the nearest part of the cities of London and Westminster.

Summarising the achievements and failures of the Reform of 1834 we may note:

(1) That it established the principle of Central Control, but in a form which was speedily found to be an unfortunate choice, and with powers which were speedily found to be inadequate. In 1847 the form was amended by substituting for the three Commissioners, excluded from Parliament, a member of the Ministry, usually a Cabinet Minister, representing the department in the House of Commons. The power of control was stiffened by degrees through development of the system of Audit and Surcharge.

(2) It substituted the larger and more uniform areas of some six hundred Unions as the units of administration for the extremely unequal, inconvenient and inequitable 15,000 odd poor law parishes, but only partially. By the Act of 1834 only the cost of the Union Workhouse and salaries of Union officials was made a common charge

[1] Quoted in *Dr. Southwood Smith, a Retrospect*, by Mrs. C. L. Lewes, p. 67.

over the whole Union, all expenditure for relief being still chargeable on the parishes, and these still being the areas under the Law of Settlement and Removal. Not until 1861 did the Union become completely the rating area, and not till 1865 the area for Settlement. The nuisance of transporting paupers from one part of the country to another gradually diminished,[1] and the cost of settlement disputes between different Boards was minimised by resort to the arbitration of the Board instead of the Courts of Law.

(3) The larger unit of administration, and pressure from the centre, compelled the appointment of salaried officers for Unions, Clerks to Boards, masters and matrons of workhouses, chaplains, medical officers and relieving officers. From Sir George Nicholls we learn that in May 1846 the number of paid officers employed by the 591 Unions then existing numbered 8,290, and that their united salaries came to £419,901, averaging therefore just under 20s. a week.[2] From these Dickens got his Mr. and Mrs. Bumble. Yet even "Bumbledom" was no doubt preferable to the early expedients of relying on compulsory expedients or putting the maintenance of the poor in the hands of the contractor who offered to do it at the cheapest rate. Here again the old system was not entirely done away with, and the post of Medical Officer was commonly put up to tender, and awarded to the "doctor" who offered to supply advice and medicine at the lowest price.

As has been said above, the three Commissioners chose to be guided, not by the *Report of the Commission of Enquiry*

[1] In 1849 there were about 40,000 such removals, in 1907 12,000 odd.

[2] In 1850 the total number of Unions under Boards of Guardians had increased to 604, and of persons employed by them to 12,853. The average annual salaries for certain classes were: Clerks £110, Chaplains £47, Medical Officers £50, Relieving Officers £82, Masters and Matrons £37, Schoolmasters £31, Schoolmistresses £21, Porters £18, Nurses £14, Superintendents of Labour £39. Some of the schoolmasters and mistresses could hardly read and write themselves (*History of the English Poor Law*, vol. ii. p. 438).

and its authors, Nassau Senior and their own Secretary, but by the experience of Sir George (then Mr.) Nicholls. The fruits of his experience were, in his own words, " First the hope, and then the conviction that these sources of evil [parochial workhouses] were capable of being changed into instruments of good—that they might be made tests of destitution, as well as an economical and effective means for affording relief. He saw that the old ill-managed workhouse led to an increase of pauperism and depravity, and he also saw reason to believe that a well-managed workhouse would help to check the one and prevent the other—that while the former was the worst appendage to a parish, the latter might become the best ; and he accordingly endeavoured to bring about the change. The result surpassed his expectations, and subsequent experience has abundantly confirmed the soundness of the workhouse principle on which our modern Poor Law is based." [1]

The aim of the Commissioners then was " to check pauperism and prevent depravity," and this was to be done by enforcing the principle of " less eligibility," the principle, that is, that the lot of the person relieved should always be " less desirable both in appearance and reality than that of the independent labourer of the lowest class." It is doubtful whether this principle when first laid down was intended to apply to other than able-bodied paupers, as discussion had been so concentrated on them that the fact that they formed only a numerically small proportion of the whole number receiving relief had been almost ignored. But as the " General Mixed Workhouse " (the " well-managed Workhouse " of Sir George Nicholls) was made the basis of the system of relief, the same principles were inevitably applied to the children, the sick and the aged, as to able-bodied men, the whole workhouse being under the control of a master and matron, *i.e.* of an

[1] In two years he had cut down the expenditure in Southwell from £2006 to £589. *Op. cit.* vol. ii. p. 243.

underpaid uneducated couple, whose first and frequently only qualification was the power of striking terror into disorderly inmates.

With hosts of " independent poor " living on the verge of starvation it was difficult to make the lot of paupers less eligible without creating a scandalous rate of mortality among them. Confinement and the strict enforcement of a dietary which, while sufficiently distasteful, should yet give adequate nourishment, were the means relied upon for overcoming the difficulty. It was noted that Scottish peasants throve on oatmeal, so oatmeal was made the basis of the dietary. As prepared under the supervision of illiterate workhouse masters and matrons in the south of England it sometimes became even more distasteful than the Commissioners had intended, and acquired the name of " Hell Broth." Scandals were not entirely prevented. The vain struggle of one workhouse doctor to get the dietary modified when the inmates were prostrated by diarrhoea was given full publicity in the *Northern Star*, and the discovery that in another workhouse the men put to crush bones for manure were eating the putrid scraps of meat and of marrow, to satisfy their craving for something not in the dietary, was the subject of debate in the House of Commons, and led to the appointment by it of a Committee of Enquiry. This resulted, not in any change in the dietary, but in the prohibition of bone-breaking in workhouses !

Cautious as the Commissioners were in enforcing their policy, either with regard to abandonment of out-door relief or improved management of workhouses, their unpopularity grew. Feargus O'Connor, in the *Northern Star*, and the Chartists denounced the Commissioners in lurid language, and the renewal of the Act of 1834, which expired in 1839, was also opposed by John Walter, the proprietor of the *Times*, and by Thomas Wakley, the proprietor and editor of the *Lancet*. In 1839, and again in 1840, it was renewed for one year only. In 1841 the

Whig Government brought in a Bill to continue it for ten years ; Disraeli moved its rejection, and after a heated struggle the Government had to withdraw it, and in the general election which followed immediately afterwards the Whigs were beaten. Sir Robert Peel, however, found himself obliged to renew the Act a third time for one year more, and then, in 1842, for five years, before the end of which period a new amending Act was passed, which among other useful changes replaced the three Commissioners by a Minister, the " President of the Poor Law Board."

In all essential respects the policy worked out by Sir George Nicholls and his colleagues was continued. Putting the matter broadly, and indeed too broadly for strict accuracy, we may say that the essential thing that had happened in 1834 was that the attempt, first begun nearly three centuries before, to use the State organisation for internal administration also for combating poverty, was abandoned ; the Poor Law henceforward was not to concern itself with poverty generally, but to limit its scope to the relief of those extreme forms of poverty termed " destitution," regarding " pauperism " as the evil to be fought, poverty itself being assumed to be a necessary condition of civilised society, piously regarded as being Divinely appointed for the purpose of stimulating the industry of the " lower classes," and affording a basis for the culture and refinement of their betters.

The fight against poverty, however, did not cease, but its strategy changed. The Benthamite principle of " Inspectability " had been accepted, and enquiry into causes of poverty began to have the benefit of more exact statistics and to attempt quantitative instead of merely qualitative analysis.

CHAPTER VI

PREVENTIBLE DISEASE AND THE "SANITARY IDEA"

THE "Sanitary Idea" may be defined generally as the doctrine that much disease is preventible, that individual effort, however much aided by voluntary co-operation and private benevolence, is an inadequate agency for prevention, and needs to be supplemented by the combined action of the community working through the organisation of the State. In the specific sense in which the phrase is used here it includes also the recognition of the facts that preventible disease is both a cause and effect of poverty, and that disease and poverty are social as well as individual evils.

The idea in its general sense is of immemorial antiquity. From still older civilisations it was inherited by ancient Rome, which attributed to its early kings the first making of sewers, under the Republic entrusted its sanitary administration to aediles,[1] and left magnificent aqueducts for the service of many cities as the best memorial of its imperial sway. Something of the Roman sanitary tradition appears in our own country to have survived the Anglo-Saxon Conquest, for when in the year 1191 London seized the opportunity of the absence from the country of King Richard I on the Second Crusade to demand a

[1] These were four in number, each having charge of one quarter of the city. They had to deal with sewerage, paving and cleansing of streets, street obstructions, disposal of refuse, etc. Under the Empire salaried Medical Officers were appointed to treat the poor gratis. See Sir John Simon, *English Sanitary Institutions* (1890), Chapter II.

very full measure of civic independence, it celebrated its success by passing sanitary by-laws ; and Fitzstephen, writing at the same time, in the *Praise of London*, which he wrote as a preface to his *Life of St. Thomas à Becket*,[1] stated that London, like Rome, was divided into wards and had aqueducts and sewers. But in England, as in many other countries, the theory that " cleanliness is next to godliness " had to struggle against opposing ideas which associate sanctity with dirt, regard epidemics as visitations from God, and trust to prayer and fasting as the best measures to be adopted against plague and cholera. Later, when the Civil War had taught thinking Englishmen to distrust religious dogmatism and rancour, and an age of religious lukewarmness and of rationalism set in, all public action was dominated by the aristocratic assumption that the social community consisted of property-owners only, and that the condition of the rest of the population mattered only in so far as it affected the comfort and happiness of the possessing classes. Hence in the eighteenth century increased knowledge of the laws of health merely caused the rich to separate themselves from contact with the poor, and to pave, cleanse, light and drain districts like the West End of London, where they themselves congregated.

Thus in the nineteenth century there was dire need that the Sanitary Idea should be born again. It came to life through the coming together of Benthamite philosophy and the frail medical science of the period, and was ushered into the light by Cholera and Chartism.

The first sign of the coming of what is perhaps to-day the greatest constructive social force of civilisation appeared in the *Westminster Review*, an organ founded in 1825 by the Benthamite Radicals to counterbalance the *Edinburgh Review* of the Whigs and the *Quarterly Review* of the Tories. Its first two issues contained articles on " Contagion and Sanitary Laws " by Dr. Southwood

[1] Printed as an Appendix in Stow's *Survey of London*.

Smith,[1] physician to the London Fever Hospital, the Eastern Dispensary, and the Jews' Hospital in Whitechapel. Dr. Southwood Smith followed these up by the publication in 1830 of his *Treatise on Fever*, which was for a long time the standard book on the subject,[2] and which attributed the virulence of the diseases which it was his professional duty to cure to " poverty in her hut, covered with her rags, striving with all her might to keep out the pure air and increase the heat." [3] Meanwhile, in April 1828, in the same organ, there was published an article by Edwin Chadwick, then a law student trying to make ends meet by the help of journalism, entitled " The Means of Assurance against the Casualties of Sickness, Decrepitude and Mortality," in which he urged that it was the duty of Government to collect " complete information as to the circumstances under which sickness arises, together with accurate accounts of the deaths consequent upon such circumstances." Eleven years afterwards Chadwick succeeded in inducing the Cabinet to get an amendment passed to the Registration Act of 1836, requiring the causes of deaths to be registered, in addition to the bare facts of births, deaths and marriages. Meanwhile Jeremy Bentham himself had been working since 1820 upon his great work, *The Constitutional Code*, in which he advocated the inclusion, in a Cabinet of fourteen Ministers, of an Indigence Relief Minister, a Health Minister, with a department including medical treatment, and a Preventive Services Minister, whose department should include, with various other matters, regulations on unhealthy occupations, adulteration of food and drugs, sale of poisons, fouling of air and water by factories, and suffocation in mines.[4] In 1830 Bentham, being engaged in preparing this work for publication, employed Chadwick as a literary secretary, and Chadwick

[1] *Dr. Southwood Smith, a Retrospect*, by Mrs. C. L. Lewes (1898), p. 17.
[2] *Ibid.* p. 24. [3] *Ibid.* p. 26.
[4] S. and B. Webb, *English Poor Law History*.

lived with Bentham until he was appointed in 1832 an Assistant Commissioner to the Poor Law Commission of enquiry. The Sanitary Idea was thus by that time embodied in a scientific formula, with Chadwick as its custodian.

In October 1831 cholera entered the country. Endemic in Bengal, it had in 1817 become epidemic, and between 1817 and 1820 spread over most of India; in 1823 it reached Asia Minor and Siberia, and began to advance slowly westwards, spreading along the shores of the Caspian Sea, and in 1830, having reached Central Europe, it quickened its march. It entered England at Sunderland. From Sunderland it spread in all directions, reaching London in January 1832. No accurate estimate can be made with regard to the mortality, as for vital statistics the country still depended on Church records of christenings, marriages and burials for all extra-metropolitan areas, and even in London there was no record generally of causes of death.[1] But a later investigation gives us the figure of 31,376 deaths in certain areas of Great Britain with a total population of five million, and 21,171 deaths in Ireland, so the total probably was between eighty and ninety thousand. In June 1831, when the epidemic reached Riga and Dantzig, the Government had appointed a consultative "Board of Health," which sent investigators to find out what they could about it, and they learnt that acute diarrhoea was the initial stage, and consequently the useless advice was given to treat cases as early as possible by administering constipative drugs. The other precautionary measures taken were the enforcement of quarantine regulations, attempts at isolation, exhortations to cleanliness and abatement of nuisances, and the issue by the King in Council of a form of prayer. The failure of quarantine added weight to Southwood Smith's contentions that such regulations were bound to be futile, and that the

[1] Deaths from smallpox were recorded.

true line of defence was pure water and pure air, cleanliness and thorough ventilation. But the cholera passed on its first visit, leaving extraordinarily little impression on men's minds. Fortunately it was destined to come again and again.

Meanwhile the New Poor Law was creating for itself embittered enemies and only lukewarm friends. The Malthusian doctrine on which it rested was denounced, and popularly regarded, as impious ; the forcible separation of married couples in the new " Bastilles " and " Hell Broth " were from 1837 ever-recurring themes in the *Northern Star*, while the *Times* termed the Commissioners " the pinch-pauper triumverate," and persistently published reports of inquests at which verdicts of death from starvation were given on people who died after being refused relief ; and Dickens, having won the ear of the public with *Pickwick Papers*, published *Oliver Twist*, and immortalised Mr. and Mrs. Bumble and " Oliver asking for more." On the other hand the rosy expectations that Harriet Martineau had held out, in her widely-circulated *Poor Law Tales*, of happiness and prosperity being diffused over the country as soon as relief was refused except for dire necessity, were sorely disappointed. From 1832 to the coming into operation of the Act food prices and expenditure on relief had been falling ; when subsequently food prices began to rise again, the Commissioners completely failed to effect any further reduction of rates,[1] while the effort to restrict expenditure caused undeniable hardship, and according to Hasbach forced agricultural labourers to drive their wives and children into the fields, to earn, the woman usually from two shillings to two-and-six for a full week's work, and the children from one or two pence per day up to sixpence for the older ones.[2]

At the start the original Commissioners had utilised Chadwick's fierce energy in getting the Act into opera-

[1] and [2], see footnotes on opposite page.

tion, so far as creating the new machinery was concerned ; but when he wanted to insist on the same energy being shown in enforcing obedience to the Commissioners' instructions on lax or recalcitrant Boards, only Nicholls sympathised, and he, after the passing of the Irish Poor Law Relief Act of 1838, had his time entirely taken up with Irish administration. The other two Commissioners, who disliked and disapproved of Chadwick, resigned in 1839, but they were succeeded by two younger men, George Cornewall Lewis and Sir Edmund Head, who inherited that dislike in an intenser form and signalised their appointment by excluding Chadwick from their deliberations and practically reducing his status to that of a chief clerk. Chadwick, however, still had the ear of Lord John Russell and other leading Whig statesmen, and, in defiance of all established canons of official propriety, he did not scruple to use this advantage, and from time to time he was thus able to frame instructions to his superiors and have them conveyed through a ministerial channel in such a way as to compel their obedience. By this means he was enabled, while still retaining his official

[1] The figures, as supplied by Sir George Nicholls (*History of the English Poor Law*, ii. 466), are :

Year.	Price of Wheat per Quarter.	Expenditure on Relief.
	s. d.	
1831-2	63 4	£7,036,969
1832-3	57 3	6,790,800
1833-4	51 11	6,317,255
1834-5	44 2	5,526,418
At this date (Lady Day, 1835) the new law may be presumed to have begun its effect.		
1835-6	39 5	£4,717,630
1836-7	52 6	4,044,741
1837-8	55 3	4,123,604
1838-9	69 4	4,406,907
and then annual increases till		
1842-3	54 4	5,208,027

Note that the demand for relief in any one year depends less on the food prices in that year than on those of the preceding year.

[2] *Op. cit.* pp. 224 *et seq.*

post, to throw his energies into the campaign for Public Health.

This campaign began in 1837. It was a year of bad harvest, rising prices and depression of trade. The first burst of railway building, initiated by the success of the Liverpool and Manchester Railway opened in 1830, had ended in a panic, employment shrank, and intensified poverty brought on an epidemic of typhus in London, not confined to the poorest quarters. Alarm spread in the West End, and three distinguished medical men were asked to report [1] on the causes. They were Dr. Neil Arnott, Physician to the French and Spanish Embassies, a distinguished physicist and an inventor specialising in problems of heating and ventilation, later a Fellow of the Royal Society and Physician Extraordinary to the Queen; Dr. Kay (afterwards Sir J. P. Kay-Shuttleworth, famous for his work for popular education), the creator of the Ancoats and Ardwick Dispensary, and the leading member of the medical association known as the "Manchester Board of Health"; and Dr. Southwood Smith. The most striking of the three reports was that of Southwood Smith,[2] as he had the East End for his district, and he went personally over the greater part of Bethnal Green and Whitechapel. With regard to the facts, one passage may be quoted as typical. "In many parts of both these districts fever of a malignant kind and fatal character is always more or less prevalent; in some streets it has recently prevailed in *almost every house*; in some in *every house*; and, in some few instances, in *every room of every house*. Cases are recorded in which every member of a family had been attacked in succession, of whom, in every

[1] "This," says Sir John Simon, "was an entirely new sort of Government action; and no doubt Mr. Chadwick deserves the credit of that precedent." *Op. cit.* p. 185.

[2] Like Chadwick, Southwood Smith was a friend and disciple of Jeremy Bentham, who, in his will, left Southwood Smith his body for dissection. Southwood Smith dissected it and lectured on it to University College, London, which still possesses the body.

such case, several have died ; some whole families have been swept away. Instances are detailed in which there have been found, in one small room, six persons lying ill of fever together : I myself have seen this—four in one bed and two in another." [1] He urged that all this disease was preventible. It was in this report that he handed on to the Commissioners his gruesome description of the Whitechapel workhouse quoted above.

Southwood Smith's report reached Chadwick in the spring of 1838, and was presented with those of Drs. Arnott and Kay to Lord John Russell, then Home Secretary, with a covering letter ostensibly coming from the Commissioners, but presumably in reality from Chadwick, pointing out how great a burden was thrown upon the poor rates by " these constantly recurring causes of destitution and death ; " and urging that as a temporary measure Boards of Guardians should be given powers to suppress nuisances and enforce sanitation. The whole of these documents were published, and Chadwick speedily contrived, partly by sale, partly by free distribution in influential quarters, to put seven thousand copies in circulation. The Bishop of London, Dr. Blomfield, who, as Chairman of the Poor Law Enquiry Commission, had worked with Nassau Senior and Chadwick, took up the matter in the House of Lords ; and Lord John Russell, as Home Secretary, gave instructions to the Poor Law Commission to make a general report on the " Sanitary Condition of the Labouring Population," a duty which they handed over to their Secretary.

In 1839 Dr. Southwood Smith, in consultation with his colleagues Drs. Arnott and Kay, presented a memorandum as a supplement to their reports, summarising their views in the following terms :

> " While systematic efforts on a large scale have been made to widen the streets, to remove obstructions to the circulation of free currents of air, to extend and

[1] Lewes, *op. cit.* p. 65.

perfect the drainage and sewerage, and to prevent the accumulation of putrefying vegetable and animal substances in the places in which the wealthier classes reside, nothing whatever has been done to improve the condition of the districts inhabited by the poor. These neglected places are out of view, and are not thought of; their condition is known only to the parish officers and the medical men whose duties oblige them to visit the inhabitants to relieve their necessities and to attend their sick; and even these services are not to be performed without danger. Such is the filthy, close and crowded state of the houses, and the poisonous condition of the localities in which the greater part of the houses are situated from the total want of drainage, and the masses of putrefying matters of all sorts which are allowed to remain and accumulate indefinitely, that, during the last year, in several of the parishes, both relieving officers and medical men lost their lives in consequence of the brief stay in these places which they were obliged to make in the performance of their duties. Yet in these pestilential places the industrious poor are obliged to take up their abode; they have no choice; they must live in what houses they can get nearest the places where they find employment. By no prudence or forethought on their part can they avoid the dreadful evils of this class to which they are thus exposed. No returns can show the amount of suffering which they have had to endure from causes of this kind during the past year; but the present returns indicate some of the final results of that suffering; they show that out of 77,000 persons (in- and out-door paupers), 14,000 have been attacked with fever, one fifth part of the whole, and that out of the 14,000 attacked, nearly 1,300 have died. The public, meantime, have suffered, to a far greater extent than they are aware of, from this appalling amount of wretchedness, sickness and mortality. Independently of the large amount of money which they have had to pay in the support of the sick, and of the families of the sick, pauperised in consequence of the heads of those families having become unable to pursue their occupations, they have suffered still more seriously from the spread of fever to their own habitations and

families. . . . There can be no security against the constant recurrence of this calamity but the adoption of measures adequate to diminish very materially, if not entirely to prevent, the generation of the febrile poison in every district. This might be done, to a large extent, by an amendment of the Building Act ; by carrying into the districts of the poor improvements similar to those already completed, or now in progress, in the places inhabited by the wealthier classes ; by removing as far as practicable the obstacles to a free circulation of air in the closest and most densely populated neighbourhoods ; by the construction of underground sewers, with effectual surface drainage into them, and by the immediate removal of refuse animal and vegetable matters by an efficient body of scavengers. The expenditure necessary to the adoption and maintenance of these measures of prevention would ultimately amount to less than the cost of the disease now constantly engendered. The most pestilential of these places, when once put into a wholesome condition, could be maintained in that state in a comparatively small expense ; whereas as long as they are allowed to remain in their present condition, the results must continue the same ; it follows, that the prevention of the evil, rather than the mitigation of the consequences of it, is not only the most beneficial but the most economical course." [1]

The next move of the pioneers was the launching at a public meeting held in December 1839 of the "Health of Towns Association," with the Marquis of Normanby in the chair, supported by Lord Ashley (afterwards the Earl of Shaftesbury) and Lord Ebrington, several other members of Parliament and several leading London physicians. Lord Normanby and Lord Morpeth were the chief spokesmen of the Association in the House of Lords, Mr. R. A. Slaney in the House of Commons. Southwood Smith chiefly gave it its inspiration and direction, working in close association with Chadwick, who

[1] Simon, *op. cit.* pp. 183-4.

remained outside. In 1840 Slaney secured the appointment of a Select Committee of the House of Commons on the "Health of Towns." The Report asked for from the Poor Law Commission on the *Sanitary Conditions of the Labouring Population*, issued by the Commissioners as distinctively Chadwick's, was published in 1843; but scepticism, or the appetite for gruesome facts, caused yet a third enquiry to be set on foot, in the form of a Royal Commission on the "Sanitary Condition of Large Towns and Populous Districts." It reported in 1844. While himself responsible for the Poor Law Commissioners' Report, Chadwick also fed the Select Committee and the Royal Commission with evidence; with the result that all three reports are packed full of detail, equally noisome and picturesque. All that is necessary to say about them is that they show that the slums of London, as described by Arnott, Kay and Southwood Smith, were in no ways exceptional; they were indeed surpassed in horror by the courts of Glasgow, the cellar dwellings of Manchester, and the common lodging houses of Birmingham. And, as in that report, the later ones appeal to the fears as well as to the humanity of "the public" (*i.e.* of those men and women not included in "the Labouring Population," who paid rates and did not live in slums), to their fears of infection and their fears of increased rates. The pocket argument indeed was more fully developed by Chadwick, by elaborate calculations of the money cost to the community in the loss of the product of the labour of the working man who died early. By his calculations the expectation of life for an infant of the working classes born in any one of the great provincial cities varied from twelve to fifteen years.

In 1844, after the five years of enquiry and of education of Parliament and the public, the devotees of the Sanitary Idea hoped at last for action. But there was yet a dreary wait. The Chartist agitation, which had seemed so menacing between 1839 and 1842, and which had then

kept what Carlyle called "The Condition of the People Question" vividly before the mind of the public, died down as the result of a series of good harvests and the second and greater boom in railway building. But this ended in the financial crash of 1847, which was preceded by the Irish Famine and bad harvests in England, so that the country again experienced the coincidence of an access of unemployment and low wages with high food prices. Lastly there came the dread news that cholera was once more approaching, and moving across the East at a greater rate than the previous time. In 1846 Sir Robert Peel's government passed a temporary Act for "the Removal of Nuisances and the Prevention of Epidemic Diseases," and an Act enabling local authorities to establish public baths and washhouses. It also contemplated a general Public Health Act; but Peel having been driven out of office by a combination of Protectionists and Whigs, this task was handed over to his successors. Finally the Public Health Act, 1848, was passed, receiving the royal assent on 31st August; and the temporary measure of 1846 was made permanent as the "Nuisances Removal and Diseases Prevention Act" of 1848. Of these two measures the latter applied to all England and Wales, the former only to places outside London. For London a separate Act was passed creating a "Metropolitan Commission of Sewers," but from this again the City was excluded, and had instead a special "City Sewers Act."

Thus "the legislation of 1848 closed with triumph a ten years' struggle, and inaugurated a new aera." Chadwick and Southwood Smith, who were destined to enter immediately upon a second prolonged struggle, had been the protagonists, backed up by the Health of Towns Association, which was reinforced by the "Association for promoting Cleanliness among the Poor," the "Metropolitan Association for improving the dwellings of the Industrious Classes," and the "Society for the Improve-

ment of the Condition of the Labouring Classes." The first of these three established model baths and wash-houses, the other two built blocks of flats for working-class families. Effective aid also was given by Major George Graham, as Registrar-General, and his "Compiler of Abstracts," Mr. William Farr, who co-operated zealously by supplying statistical ammunition to the fighting line.

Meanwhile in 1847 the Poor Law Commission came to an end, the responsibilities of the Commission being transferred to a Minister, usually a Cabinet Minister, with a seat in Parliament, termed the "President of the Poor Law Board," the Board itself, like the Board of Trade, being, apart from the President, an imaginary body. Other offices were found for Cornewall Lewis and Edmund Head; Nicholls, then aged sixty-seven, was retained as Secretary to the Board at a greatly reduced salary, and on him rested the burden of the administration till his retirement at the age of seventy. This onerous task was then taken up by Mr. (later Sir) Hugh Owen [1] under the modest title of "Chief Clerk to the Board," who ran the department till his retirement in 1872. Chadwick was dismissed, and so set free for Public Health work.

The Public Health Act of 1848 created a "General Board of Health" of three members, the First Commissioner of Works *ex officio*, a salaried member and an unpaid member. Its constitution was therefore intermediate between that of the Poor Law Commission and that of the Poor Law Board; it had a representative in the Ministry, and, as Lord Ashley was the unpaid member, also a second representative in the House of Commons. But neither real nor nominal responsibility was accepted by the three successive Commissioners of Works who occupied the *ex officio* seat after the departure of Lord Morpeth, who had brought in the Act. Hence it was universally and correctly assumed by Parliament, the Press and the public, that the responsible person was the paid

[1] He was knighted just before his death in 1881.

member, Edwin Chadwick ; and he was made the target of all attacks, but given no opportunity of speaking in his own defence. *Les absens ont toujours tort.*

The chief duties imposed on the General Board were those of enabling populous places to create Local Boards of Health, with powers of raising rates and obtaining loans for sanitary purposes at less cost than by promoting special Acts of Parliament, if the inhabitants so desired ; and to confer sanitary powers on places which did not ask for them, if the ordinary annual death-rate exceeded 23 per thousand ; and of putting in operation in times of epidemics any Privy Council Orders that might be issued under the Nuisances Removal and Diseases Prevention Act. On the whole the response of the "populous places" was very satisfactory. By the end of 1853 the Board had received memorials from 284 places for application of the Act, had applied it in 182 of those places with a total population of more than two millions ; in 126 of the 182 surveys for permanent works had been made, in 70 plans proposed, and in 31 approved ; and loans on security of the rates sanctioned to the amount of £407,000.

For the first two years the Board had no medical member ; then Southwood Smith was appointed as an additional member.

Within a month of its creation the cholera came, and the Board had to fight it in the light of the experience of the epidemic of 1831-3 and those of the current theories which seemed to them most credible. They held the sound theory that provision of pure water supplies, effective systems of drainage, sewage disposal and dust collection, and slum clearance were the best safeguards, but not much could be done on those lines while the epidemic was raging ; they also accepted the official theory that, since cholera began with diarrhoea, the best treatment was to get hold of cases as early as possible and administer constipative drugs, a treatment which in fact was worse than useless. The second visitation (1848-9)

was, according to contemporary estimate, even more deadly than the first, which perhaps was to be expected, as the population was more urbanised, and the slum population considerably increased. In England and Wales 55,201 persons died, 14,789 in London, 40,412 in extra-metropolitan districts. This was a blow to the prestige of the Board from which it never recovered. The true test of its value came with the third visitation, that of 1853-4. The cholera deaths in London, which had been under the sanitary care of the Metropolitan Commission of Sewers, were then 11,621 as compared with 14,789 in 1848-9, a reduction of about 21 per cent.; in extra-metropolitan England and Wales, the sphere of the General Board, they were in 1853-4, 12,895 as compared with 40,412 in 1848-9, a reduction of about 69 per cent.

The legislature, only half-converted to the novel theory that the health of the people was a concern of the State, had limited the duration of the Act to five years, and thence to the end of the current session. The Board therefore, unless the Act were renewed, was to come to an end in 1854, and in the event it did so die. Under this condition it could offer no permanent employment either to doctors or sanitary engineers, and, not being generously supplied with money, it could not offer high pay for temporary services. It was even more severely handicapped by the fact that scientific medicine was still in its infancy, and sanitary engineering a new field of enterprise. Chadwick, a barrister by profession, had to be his own chief sanitary engineer, and so naturally excited the hostility of those who professed to be experts, a hostility which he encountered with scorn. The methods which he recommended, and which he imposed as far as he could (by using the powers of the Board of framing by-laws for adoption by local authorities and issuing instructional minutes), were (1) water carriage of excreta, and therefore the instalment of water closets,

(2) the use of glazed earthenware pipes, then a novelty, for drains, (3) the construction of sewers of the sectional sizes and shape (egg-shaped [1]) which allow for their being flushed easily and automatically kept clean, (4) continuous water supply. In order that these methods might be properly utilised Chadwick urged that the same authority, and that a public body, in every locality, should control both water supply and drainage. With regard to the sort of public body for this duty he held that "the adoption of geological areas as the basis of operations is requisite." [2] All these doctrines were in direct conflict with the existing practice. Water supply, if systematically managed at all, was almost invariably in the hands of joint stock companies, which had nothing to do with house drainage or sewage disposal; house drains where they existed discharged into cesspools; the sewers in existence were intended for storm water only, unscientifically designed and of faulty construction, so that the sides were apt to give way under pressure, as actually happened at Westminster, where a great underground pool of sewage was formed, causing an outbreak of cholera in Westminster School. The regulations against using the sewers for house drainage did not operate, since the contractors who emptied the cesspools at night had learnt the dodge of saving time and trouble by emptying their carts down the street drains instead of taking them to areas outside where farmers might be found willing to allow the contents to be dumped on the land in consideration of the manurial value. The Water Companies supplied water to the houses of the well-to-do at certain hours of the day only, which necessitated storage in domestic cisterns which were seldom kept adequately

[1] *i.e.* the shape of a central vertical section through an egg standing on its small end.

[2] The quotation is from his *General Report on the Sanitary Condition of the Labouring Population of Great Britain* of 1842. "Geological areas" is presumably a slip for "geographical areas," *i.e.* large river basins, or groups of small adjoining river basins.

clean ; working-class areas were supplied by stand-pipes if at all ; in these areas several families usually had to share a common privy, and empty it when and where they could ; hence mounds of mixed excrement and house refuse accumulated in streets and courts until some farmer or dealer in manure gave a price for them. This arrangement in Chadwick's words " fosters habits of the most abject degeneration and tends to the demoralisation of large numbers of human beings, who subsist by means of what they find amidst the noxious filth accumulated in neglected streets and bye places."

To clean up Great Britain was the task to which Chadwick and Southwood Smith devoted themselves, with the loyal assistance of Lord Ashley ; they were not content to leave either London or Scotland out. They had to devise the necessary human machinery ; they rightly demanded the appointment of whole-time salaried District Medical Officers ; but they made a mistake in despairing of local initiative, and advocating instead a national service under central control ; for, whatever advantages there might be in such a service under favourable conditions, the Central Government was then too inefficient and corrupt for the plan to succeed, and the distrust of Government too strong for it to be adopted.

The efforts of the General Board to obtain powers to deal with the filth of London [1] brought about its fall. When the end of the term of the Act was approaching, and Lord Palmerston on behalf of the Government proposed its continuance, although, in order to conciliate the opposition, Ministers " let it plainly appear that Government was ready to acquiesce in Mr. Chadwick's retirement," " the feud was too hot for any terms of surrender," and the Government was defeated by 74 votes to 65.

[1] It did succeed in inducing Parliament to compel the Water Companies which drew their supplies from the Thames to move their intakes higher up the river, and thus to reduce greatly the amount of sewage in London's drinking water.

With regard to the rising tide of hostility against the Board, Lord Shaftesbury in his diary wrote in May 1852 :

" The *Times* has taken up the note of the undertakers, the water companies, the parliamentary agents, and the whole tribe of jobbers who live on the miseries of mankind and are hunting the Board of Health through brake and briar and hope to be 'in at the death'! Be it so ; if we fall not a body will be left to shout 'Unclean, unclean !' and form, guide, and impel public opinion. Matters will become worse and worse. I tremble for the issue. Walked yesterday to review my old haunts in Westminster, and look at the wretched children in Pye Street ; sick, sick, sick, to see how little years of labour had done."

When the blow had fallen, and the Board was doomed, he wrote :

" August 9th, 1853. It is not wonderful, though sad, when we remember the interests which it has been our duty to approach and handle. We roused all the Dissenters by our Burial Bill, which, after all, failed.

" The Parliamentary Agents are our sworn enemies, because we have reduced expenses, and consequently their fees, within reasonable limits.

" The Civil Engineers also, because we selected able men, who carried into effect new principles and at a less salary.

" The College of Physicians, and all its dependencies, because of our independence and singular success in dealing with the cholera, when we maintained and proved that many a Poor Law medical officer knew more than all the flash and fashionable doctors of London.

"All the Boards of Guardians ; for we exposed their selfishness, their cruelty, their reluctance to meet and to relieve the suffering poor, in the days of the epidemic.

" The Treasury besides ; for the subalterns there hated Chadwick ; it was an ancient grudge and paid when occasion served.

" There are the Water Companies, whom we laid bare and devised a method of supply which altogether superseded them.

"The Commissioners of Sewers, for our plans and principles were the reverse of theirs; they hated us with a perfect hatred."

In 1854 the Act of 1848 was amended and continued on the footing of annual renewability. The Board became one in name only, consisting in fact of the President alone; the subordinate staff of the old Board was kept on. Dr. Southwood Smith was dismissed with a letter of regret from the Prime Minister that the adverse decision of the House of Commons had upset the Government plan for continuing his services on a reconstructed Board, and conveying "the full approbation of Her Majesty's Government" of his "zealous, able and indefatigable" labours. Some years later he was awarded a pension.[1] Chadwick was dismissed without any expression of regret. Perhaps Browning had him in mind when he wrote *The Patriot*:

"Alas, it was I who leapt at the sun
To give it my loving friends to keep.
Nought man could do have I left undone,
And you see my harvest, what I reap ——"

In his preface to *Saint Joan* Mr. Bernard Shaw contends that we have not advanced in humanity since the fifteenth century, but Chadwick went neither to the scaffold like Browning's patriot, nor to the stake like Jeanne d'Arc. He was given a pension of £1000 a year. The country even improved upon the ancient Jewish practice of building sepulchres for the prophets whom they had stoned, as in the year before his death at the age of ninety Chadwick was knighted.

Nor were Lord Shaftesbury's fears that matters would become worse and worse realised. True, there was no official body to cry "Unclean, unclean!" but there was still the cholera, and Dr. John Snow's book *On the Mode of Communication of Cholera*, first published in 1849, and in fuller and more convincing form in 1855; there was also

[1] Lewes, *op. cit.* pp. 137-8.

the appalling mortality of the troops in the Crimea in the winter of 1854-5, and Florence Nightingale to rouse the conscience of the nation. Further, the opposition to Chadwick's policy of a centralised health service came as much from fear of centralisation as from indifference about public health ; and, lastly, Chadwick's early work of agitation had been done too well for its effect to die out, and there were here and there in the country disciples of his who succeeded in doing locally what he attempted to do nationally. In 1835, as a logical sequence of the Reform of Parliament, municipal corporations had been given a uniform system of local government based on councils elected by household suffrage, the power of rating, of taking over sanitary functions from local "Improvement Commissioners," and of promoting local Acts of Parliament ; and from about 1846, under the impulse of Chadwick's 1842 report, they began to exercise these powers. Thus, for example, in 1846 Liverpool, stirred up by Dr. W. H. Duncan, obtained a local Act for water supply, street improvements, sewerage and drainage, and put its health administration in the hands of Dr. Duncan, who worked in that office zealously from 1847 to 1863.[1]

It has been mentioned above that when the Public Health Act of 1848 was passed a separate Act was passed for London outside the City, and a third for the City of London. The third Act, promoted by the City Corporation, gave it a special Sewers Commission for its local Health Authority. The Commission appointed as its first Medical Officer Dr. John Simon, who with Dr. Greenhow had cleaned up Tynemouth so effectively as to keep cholera at bay.

Simon's methods were extremely interesting.[2] He first secured the appointment of an assistant staff of "nuisance

[1] "To his influence has been due the abolition of . . . the pestiferous cul-de-sac courts, which some 80 or 90,000 persons of the working classes then had as their dwelling places, and the 8,000 cellars which some 30 or 40,000 persons were inhabiting" (Simon, *op. cit.* pp. 247-8).

[2] They are described in *English Sanitary Institutions*, pp. 248-254.

inspectors," instructed to report on every visible cause of bad health. The Commissioners under whom he worked met every Tuesday morning. Simon, by the goodwill and co-operation of the Registrar-General, contrived that he should have in his hands on Monday mornings the records of all deaths in the city registered up to the previous Saturday midnight. He studied them through the Monday, and had ready for sanction for the Tuesday meeting a programme of investigation. For the next meeting he had his formal orders for abatement ready for signature, and later on inspections were repeated till the orders were carried out. Inspections beginning only in houses from which deaths were reported were gradually extended to house-to-house inspection in all poor parts, from seven to nine thousand houses being inspected weekly. Quarterly and Annual Reports were issued, not to the Sewers Commission and City Corporation alone, but to the general public. The first of these told Londoners that they had two cities, a city of streets and houses above ground, a city of cesspools below. In 1855 " the abomination of cesspools had come to an end . . . throughout all the square mile of the City " ; " while in the mansions of the west-end they were regarded as equally sacred with the wine cellars."

From time immemorial the City of London has held that it owes a special duty to the nation as a whole, and at a crisis is called upon to give the country a lead. In this spirit Simon in 1853, warning Parliament that cholera would probably be again soon epidemic in London, demanded comprehensive sanitary legislation, and in the spring of 1854 he drew up and issued a General Summary of the work actually accomplished in the City, and then went on to point out the most glaring omissions in the health legislation as yet passed by Parliament, drawing attention to the lack of control over the letting of houses unfit for human habitation, the lack of regulations for industries of a character to endanger the health

of the workers employed, the unchecked adulteration of food and falsification of drugs, the promiscuous sale of poisons, and perhaps the most important of all, the lack of any legal distinction between qualified and unqualified medical practitioners.

The first "President of the Board of Health" under the Act of 1854 was one of Chadwick's strongest opponents, Sir Benjamin Hall, who represented Marylebone, and who had been a member of its Select Vestry,[1] which was a notable exception to the rule that "a select vestry is a select body of rogues," and was distinguished indeed among London provincial authorities for efforts for order and health. It is to his credit that in 1855 he appointed Simon as "Central Medical Officer," having obtained from Parliament the power to make such an appointment, and on Simon's shoulders, therefore, Chadwick's mantle fell. In taking up Chadwick's task he had three great advantages. As a distinguished medical man he could speak with more knowledge and authority on medical matters, and with less danger of exciting the hostility of the College of Physicians. He had an open mind on the subject of the relative merits of central control and local autonomy, and a working knowledge of municipal government, and so, in the light of Chadwick's experience, could avoid Chadwick's mistakes. Lastly, he had the great advantage of working behind the screen of "Cabinet responsibility," that ingenious camouflage device which enables Civil Servants to do a certain amount of good work on condition that the credit goes to politicians.

The most notable feature of Sir Benjamin Hall's administration was the passing of the Metropolis Management Act (1855). It was a belated response, after the predicted cholera had come and gone, leaving behind it 11,621 dead in London, to Simon's demand in 1853. By this Act metropolitan parishes outside the City were divided into

[1] The work of the Marylebone Vestry is described in S. and B. Webb, *The Parish and the County*.

two classes ; the twenty-two largest were given " Schedule A Vestries," elected administrative bodies with a membership according to population up to a maximum of 120 ; the smaller ones were grouped together and elected " Schedule B Vestries," which had no administrative duties, but existed for the purpose of selecting representatives to serve on " District Boards of Works." There were fifty-six of these smaller parishes, and fifteen District Boards of Works. The Schedule A Vestries and District Boards had to deal with paving, lighting, cleansing of streets, maintenance of drains and minor sewers, dust collection, etc., and from time to time were given additional powers by subsequent legislation. Each Schedule A Vestry and District Board selected two of its members to serve on the " Metropolitan Board of Works," which was responsible for main drainage and street improvements. It constructed the first of London's main sewers, with outfalls at Barking and Crossness.

The Act of 1855 was not exactly a brilliant success. The debating societies of 96 to 120 members were not efficient administrative bodies, and very few of them [1] excited any local interest in their proceedings. To the Metropolitan Board of Works London owes some notable improvements, like the Thames Embankment and Shaftesbury Avenue ; but scandals arose over its disposal of vacant sites, and it became known as the " Metropolitan Board of Perks," and the words " Vestryman " and " Vestrydom " became terms of reproach. The Metropolitan Board died unlamented when the London County Council was created, but during the period of its existence (1855-1888) there was a most notable diminution of the London death-rate, for which it deserved most of the credit.

[1] Kensington in the west, Battersea in the south-west, Hampstead in the north-west and Plumstead in the south-east were perhaps the most notable of those few. St. Pancras distinguished itself by electing Mr. George Bernard Shaw ; Canon Barnett and Toynbee Hall exercised much influence in Whitechapel.

Meanwhile the appalling death-rate of the troops in the Crimea, and in the base hospitals to which were transferred the sick soldiers who did not die at the front of the scurvy and pulmonary diseases brought on by malnutrition and exposure,[1] led to the appointment of the "Crimean Sanitary Commission" of 1855, and of a "Royal Commission on Army Sanitary Regulations" in 1857, which resulted in the foundation of the Netley Military Hospital and Medical School, which produced the first systematic treatise on Hygiene in the English language ;[2] the Herbert Hospital, and a re-organisation of the medical service of the Army. Of even greater importance was the foundation by Florence Nightingale of the Nursing School of St. Thomas' Hospital, which made nursing a profession for educated women, who gradually, during the course of the next fifty years, superseded the nurses of the Sarah Gamp and Betsey Prig type.

In 1858 the so-called second "Board of Health" was abolished. Its functions with regard to investigations of applications for local Acts were handed over to a "Local Acts Division" of the Home Office, and its medical duties transferred to the Privy Council, which meant that in effect Dr. Simon, with the title of "Medical Officer of Her Majesty's Privy Council," was attached to the Education Department. It is significant of the stubborn conservatism of the British mind, as expressed by Parliament and the Cabinet, that while the education of the common people was regarded as of little account, their health was still thought to be of even less importance. But if Public Health had to be subordinated to some other service, that of Education was the best choice ; for those whose business it was to see that as many children as possible learnt to read and write looked with favour on

[1] "Two men were lost out of every five treated in the hospitals of the Bosphorus during the month of February 1855, and one man out of every two at Koulali." *Army Sanitation*, by Sir Douglas Galton, p. 5, quoted Simon, *op. cit.* p. 243.

[2] *Manual of Practical Hygiene*, by Dr. Edmund Alexander Parkes, 1864.

all attempts to reduce the preventible and infectious diseases in the homes which tended to spoil the record of attendance.

While Chadwick was a barrister by profession, and a sanitary engineer and a bureaucrat by choice, Simon was a physician by profession and an educator by choice. Both men keenly appreciated the use of statistics as a means of converting the public ; but with Simon statistical enquiry was of still greater importance as a means of ascertaining truth with regard to disease.[1] The statistical was indeed then the only scientific method of investigation available, as the microscope had not yet reached the degree of perfection which later made Pasteur's work possible.

In 1858 the President of the Board of Health [2] succeeded in getting the Government to accept Simon's Medical Practitioners' Bill, which in a greatly weakened form was passed as the " Medical Act." This established a medical register with a superintending Council, empowered to strike off the register persons convicted of crime, or " whose professional conduct it should judge infamous," and to impeach any Licensing Body which granted its diploma without sufficient study or examination. In consequence, while no prohibition was imposed on unlicensed practitioners, it was at least possible to distinguish between them and those who were licensed. The licensing bodies were reduced in number to twenty-one, and the worst, those which competed with one another in the trade of supplying for fees medical degrees on minimum qualifications, disappeared. An important series of investiga-

[1] " The Medical Department had to develop a scientific basis for the progress of sanitary law and administration. . . . Confident that, if the knowledge were got, its utilisation would speedily follow, we had to endeavour . . . that true facts, and true interpretation of facts, with regard to the diseases of the country and the causes producing them, should be supplied on a sufficiently large scale for political appreciation and use " (Simon, *op. cit.* pp. 287-8).

[2] Then Mr. Cowper, afterwards Baron Mount Temple, Lord Shaftesbury's brother-in-law.

tions was carried out into smallpox and vaccination, diphtheria, the famine diseases caused by the cotton famine of 1862-4, and other epidemics. A fourth visitation of cholera came in 1865-6, and the amount of progress made, particularly in London, in ten years is shown by the reduction of the deaths, in London by about one half and in the rest of the country by about one third.[1] Another important part of the work was carried on with the help of Dr. Greenhow, who in Tynemouth as Chairman of the District Board had kept cholera at bay in 1853-4 when it was raging in neighbouring towns, and who, having come to London, had given in St. Thomas' Hospital the first course of lectures on Public Health. Dr. Greenhow worked for a year at the data available in the office of the Registrar-General, with regard to the causes and ages of death, relating them to geographical and social conditions of the 105 registration districts, and working out death-rates for different districts of different diseases or groups of diseases, and made a present of his results, set forth in 143 tables, to the Board of Health, which published the whole with a preface by Simon. Starting with this basis Simon initiated a series of special investigations into particular diseases, *e.g.* diarrhoea and lung diseases, in those localities in which they were respectively most prevalent ; into the dietaries of the worst-fed classes of the population, and diseases, like scurvy, arising from defective nutrition ; into hospitals, poisoning, and the dwellings of the poor. On the basis of these results he appealed for a new law, and secured the Sanitary Act of 1866. This converted the "may" of previous Acts permitting local authorities to suppress nuisances and deal with drainage and water-supply into "must" ; it enabled urban authorities to make byelaws for tenement houses, to isolate infectious

[1] London deaths : 11,621 in 1853-4, 5,792 in 1865-6. Rest of the country : 12,895 deaths in 1853-4, 9,883 in 1865-6. The epidemic of 1892, which caused 8,605 deaths in Hamburg, killed only 135 persons in England.

diseases, disinfect, and provide hospital accommodation and mortuaries, to deal with overcrowding in dwelling-places and insanitary conditions in workshops.

After the passing of this Act Simon succeeded in getting his department enlarged and strengthened by the appointment of permanent medical inspectors and provision for laboratory investigations ; and finally obtained what he hoped would prove a stepping-stone to greater things in the appointment of a Royal Sanitary Commission (1869-71). This recommended :

(1) Consolidation of the law with regard to health.

(2) The division of the whole country into urban and rural districts, each with its own local sanitary authority, utilising existing authorities and existing boundaries for this purpose.

(3) That each such district must have at least one Medical Officer of Health.

(4) That to supervise the local authorities in health work there should be created a new central Department, in which the office of the Chief Medical Officer to the Privy Council should be continued, and taking over the sanitary powers and duties then under various state departments.

(5) That the central authorities should have power to recover penalties from local authorities defaulting in their duties and to perform the neglected duty at the cost of the local rates ; and to veto if necessary the appointment or dismissal of Medical Officers of Health.

These recommendations, with one disastrous exception, were carried out by subsequent legislation. No new central health authority was established ; instead the duties of the Medical Department of the Privy Council and the Local Acts Department of the Home Office were handed over to the Poor Law Board, which changed its name into the " Local Government Board," but not its nature. Just as an Education Department was the best one to take charge of Public Health as long as health was

considered a matter of only secondary importance, so the Poor Law Department was the very worst. Its original aim being the reduction of the monetary cost of poor-relief, it remained true to that aim with only as much regard for the welfare of the poor as was necessary to minimise scandals and prevent popular outcry. It was staffed by men who prided themselves on their robust common sense, disposed to invite expert advice only in the last resort. When Simon's department was transferred to the Local Government Board he found it completely dominated by Sir Hugh Owen ; he was allowed to have no access to the Minister, to give no unsolicited advice, and to initiate no action.[1] He was regarded by his new colleagues merely as a fifth wheel to the coach, who must be allowed to draw his salary till he retired. Accordingly, after struggling and protesting in vain for five years, he did retire, disappointed and disgusted.

Out of the duties for which Simon had been responsible the Board took seriously only that of enforcing vaccination. It was equally careless with regard to the use of the extended health powers given to it. Joseph Chamberlain was then rousing Birmingham with the slogan, "High rates and a healthy city." The office of the nation's Central Health Department was the last place in the country to respond to that appeal. The Poor Law Board had organised a staff of District Auditors to inspect the accounts of subordinate local authorities and to "surcharge," *i.e.* to require the members of those authorities to refund out of their own pockets, any unjustifiable expenditure incurred. In what spirit this power was applied to health expenditure by the Local Government Board may be illustrated by a single example from close on the twentieth century. The Battersea Vestry had, in order to combat infant mortality—particularly from infantile diarrhoea—established an Infant Milk Depot. When the Vestry became a Borough Council

[1] Simon, *op. cit.* pp. 354-9.

under the London Government Act of 1899 it came within the scope of the L.G.B. audit, and the councillors were surcharged for that milk depot. Meanwhile another Borough Council, within a day's walk, was still storing all its sewage in cesspools within its own area, and drawing all its water from wells adjoining those cesspools, without eliciting the slightest comment from the L.G.B. The Board was charged with the duty, if the local authority defaulted, of giving inhabitants a pure water-supply. It is hardly necessary to say that it never dreamt of exercising that power.

When the Local Government Board finally expired in 1917 Sir Malcolm Morris wrote its epitaph :

> " To visit the whole of the responsibility for a radically defective system of medical relief of the poor upon the Local Government Board, as distinct from the Legislature, might not be fair. But in view of the fact that it had not thought fit to subject the thousands of District Medical Officers to supervision or inspection, that it had never instructed its Poor Law Medical Inspectors to prepare an Annual Report, and that it published next to no statistical information concerning patients treated in the Poor Law Infirmaries, having ignored a recommendation to that effect made by the Committee on Physical Deterioration in 1904, the Board cannot be acquitted of the perfunctoriness which characterised the medical work of the old Poor Law Board. That so ineffectual a system could have been maintained for nearly half a century had the Board's medical officers been allowed their proper influence in its counsels is inconceivable.
>
> " On the Public Health side the account is more favourable to the Board. It received from every Medical Officer in the land a weekly return of the number of cases of infectious disease notified to him, and supplied him with a weekly summary of notifiable diseases for the whole country. It carried out a great deal of special medical inspection relating to epidemics, food adulteration, housing, etc., conducted or arranged for researches into matters of hygiene, and maintained

a pathological laboratory and the Government Lymph Establishment; and the Medical Officer's Annual Report contained much valuable information on sanitary subjects generally. But the *systematic* inspection of local sanitary administration, which ought to have been instituted in 1871, was still to seek in 1919. Until Sir George Newman went to the Board to take part in the arrangements for its absorption in the Ministry of Health the medical was still kept in strict subordination to the secretarial staff. What Sir Bertrand Dawson, in *The Nation's Welfare*, justly calls 'the baneful tradition' which debarred the Board's Medical Officer from advising the President except through the intermediary of a non-medical official still persisted. So almost until the very end the dead hand of the Poor Law Board kept its clutch on the nation's chief Central Health Authority." [1]

In one way the mere existence of the L.G.B. was a help to the cause of public health. It contributed, though to a very small degree only, to securing a modicum of independence to Medical Officers of Health appointed by Local Sanitary Authorities. A medical officer who offended owners of insanitary dwellings and other privately interested persons by excessive zeal could be dismissed by the local authority without the sanction of the L.G.B., but a successor could not be appointed without it; and this probably sometimes prevented such dismissals, though the Board never actually refused sanction in such cases.[2] The fact also that medical officers' reports to the local authority were *ipso facto* also reports to the Central Authority tended to prevent editing of those reports by the local councillors, or interference with publication.

To the later history of the Local Government Board and its recent conversion into the "Ministry of Health" we return in a subsequent chapter.

[1] *The Story of English Public Health* (1919), pp. 71-3.

[2] See below, p. 173.

CHAPTER VII

THE CARE OF THE CHILDREN IN THE NINETEENTH CENTURY

> "Behold a virgin shall conceive, and bear a son, and shall call his name Immanuel. Butter and honey shall he eat, that he may know to refuse the evil and choose the good."—ISAIAH vii. 14, 15.

"EDUCATION begins with helping Mother, it goes on with helping Father." On this primeval and normal foundation there was added in the Middle Ages the education of apprenticeship for boys entering on urban crafts, and the education of the Church to prepare people of both sexes and of all ages for the life beyond the grave. Since the Church required a knowledge of Latin in its priesthood, it created schools in monasteries and cathedrals, and these provided the State also with its staff of civil servants; and as Latin was the second language of educated men throughout Western Europe, those who mastered it had access to almost all the then available sources of knowledge; and the test for a degree in Arts in the Universities of Oxford and Cambridge was, quite reasonably, the power to maintain a thesis, argued in Latin according to the rules of logic, from six in the morning to six in the evening, with half-an-hour at noon for refreshment, against three picked antagonists. The degree in Arts was intended to be preliminary to the degree in Theology; but the Church also aimed at controlling the studies in Medicine and Law.

The ancient provision of the Church for the education of the child from birth onwards, by baptism, the pledges of god-parents, the catechism, confirmation classes, and

finally confirmation, remains, and has even been supplemented by Sunday Schools, Bands of Hope, and the like ; and parents probably spend more effort to-day, and anxious thought, over the education of their children, and appreciate more fully Isaiah's conception of the ideal education than ever before, though perhaps their methods lack something of the simplicity and directness, and therefore efficiency, of early times. Yet to-day the education and care of children by parents and churches is not merely supplemented, but almost overshadowed, by that of the State.

The State care of the child began only when the failure of parents, of the Gild organisation of mediaeval industry, and of the Church, created social evils which could not be overlooked, and which indeed appeared to threaten even national independence, and therefore also to threaten to subject the population to the Spanish Inquisition, " the thumbscrew and the stake."

For that failure the State itself had been largely responsible. The religious and educational crisis produced by the Reformation naturally tended to stimulate desire for education, but the Tudor monarchs destroyed more educational machinery than they created. In England the religious conflict, as a conflict between the ecclesiastical and civil powers, between King and Pope, was of ancient date. In the cause of the Papacy, Wilfrid of York in the seventh century triumphed over Colman and the Irish Church ; in the same cause Dunstan defeated the English secular priests, the martyred Thomas à Becket overcame Henry II, Stephen Langton and Innocent III humbled John, and Archbishop Arundel crushed the Wicliffites ; but after eight centuries of papal victory the sovereignty of Rome over the English Church fell before the onslaught of Henry VIII. In Scotland, as in Scandinavia, the defeat of Rome was a victory for reformers zealous for education, and John Knox laid down, and the Church of Scotland accepted, the educational

principle that every city should have its University, every town its grammar school, and every parish its elementary school. In England it was mainly a victory of lust and greed ; kings and courtiers divided the spoils of the Church, the former taking the treasures of the shrines, the latter the endowments in land ; and the plunder of the gilds followed the plunder of the monasteries. Something was saved out of the wreck ; the endowments of the colleges at Oxford and Cambridge were spared, and even increased ; Henry VIII founded ten grammar schools (*i.e.* schools for teaching Latin grammar), Edward VI twenty-six, and Mary and Elizabeth thirty between them. Even at the time this provision was seen to be inadequate, and contemporary private donors brought up the total of grammar schools to two hundred and fifty. No general provision for the literary education of the people was made beyond that contained in the grammar school curriculum. With regard to such vocational training as was not supposed to require a literary basis, the Statute of 5th Elizabeth laid down regulations with regard to apprenticeship, and her Poor Law required parishes to arrange for the apprenticeship of poor children.

That so many as 184 grammar schools should have been founded in the sixteenth century by the generosity of private donors shows how great was the zeal for knowledge created by the social forces which found expression in the Renaissance and the Reformation. It is a fact which has frequently been fiercely emphasized, that these, and older foundations, intended for the children of the poor, were monopolised, the richer ones by the children of the rich, the poorer ones by boys of the middle classes. This, however, was not because the poor were excluded from the schools, but because the poor deserted them. The reason for this desertion was partly a gradual change in the status of the poor worker, partly it was the decline in the practical value of the schooling. In the Middle Ages

studious sons of poor peasants might get the beginnings of their education from the village priest, continue it at a neighbouring monastery, and later be supported at a University by the labours of the other members of the family, provided they had hard-working and affectionate brothers ; and in that case any career in Church and State might be open to them, mastery of Latin grammar being the foundation of the career. But at the very time when grammar schools were being so busily founded these conditions were being altered. On the one hand the peasantry were largely squeezed out by the commercialising of agriculture ; on the other, vernacular languages were superseding Latin. Thus in England Caxton set to work to print books in English rather than in Latin, and widened the scope of English literature by his translations. The intense interest in theology created by the religious issues of the day created the series of English Bibles, from Tyndale and Coverdale to the Authorised Version, and when the tale was complete there was no longer much use in England for the Latin Vulgate ; those who were not content with either the Authorised or the Douai version went straight to the Greek and Hebrew. Similarly, on the Continent, national vernaculars increasingly superseded Latin as a means of storing and communicating knowledge, so that French and Italian became more useful than Latin to a traveller wishing to come in contact with the best thought of the day by actual intercourse with living men.

The very teachers of Latin themselves, by their mistaken zeal, helped on the decay of Latin as the *lingua franca* of Europe. The Latin of the Middle Ages was a living language, gradually simplifying its grammatical forms, and modifying the arrangement of words in a sentence for greater intelligibility and ease in conversation, adding freely to its vocabulary, and inventing, in rhymed verse, a new and attractive poetic form. All this natural and useful development was supremely

distasteful to the scholars of the New Learning ; they were satisfied with nothing short of Ciceronian prose, and verse in the metres of Vergil and Horace, and no word that appeared in the language later than Tacitus was acceptable to them. The difficulty of acquiring Latin was increased just when the advantages gained by the study were diminishing. No doubt the effective acquisition of the art of writing Ciceronian prose, and elegiac verse, is an excellent training for the mind, as eight-oared rowing on the Cam or Isis is for the body, but such a mental gymnastic is too costly in time and energy for the poor man, even if it cost him nothing in money. In these circumstances only the schools which attracted the sons of the wealthy—these being usually the most amply endowed ones—had much chance of prosperity. How others might fare is illustrated by the example of the Coventry Grammar School, which was reported by the Commission on Municipal Corporations in 1835 to have two masters with salaries together of £700 a year and only one scholar.

As the old endowed grammar schools ceased to function effectively their place for the sons of the commercial classes was taken in an increasing measure by private adventure schools, which in 1858 were estimated to number over 10,000 in England and Wales. Among these there was naturally the widest possible range with regard to the scale of fees charged and the quality of the schooling provided, some schools being dear and bad, most cheap and bad, some perhaps, but certainly very few, being both very cheap and yet good, or at least not very bad. A village school, for instance, run by daughters of a local clergyman, inspired by religious and philanthropic zeal, might be excellent ; and even when, as was normally the case, school masters and mistresses had taken up the work because unable to live by any other occupation, they might not necessarily be ill-fitted for the task. Oliver Goldsmith's actual schoolmaster was an old

soldier invalided out of the army. But the great majority of the schools were doubtless very bad ; they were also all too few, and the standard of literacy among the mass of the people appears to have been falling gradually during the seventeenth and eighteenth centuries. By the beginning of the nineteenth century it was very far below that of Scotland and of neighbouring European countries.

The need of charitable effort to combat illiteracy was recognised at the beginning of the eighteenth century. The Society for the Propagation of Christian Knowledge devoted its efforts mainly to stimulating the foundation of parochial Charity Schools, with the aim primarily of meeting the spiritual needs of poor children. The schools had in consequence the new characteristic that they ordinarily provided equal numbers of places for boys and girls, as equally possessing souls to be saved ; both boys and girls being taught reading, writing, the Ten Commandments and the Catechism, the boys also elementary arithmetic and the girls plain sewing. The following extracts from sermons preached at St. Sepulchre's, Holborn, in 1730 and 1732, are illuminating :—

(1) by the Bishop of Gloucester.

" That they " (the children) " may be above no kind of labour their dress should be little regarded on week-days ; they should attend school at leisure hours, only at such times as their friends have no work for them ; and should be taught no more than their prayers, and their catechism, and to read their Bible and to write plainly and legibly ; and as soon as they are of years and big enough, should be dismissed the school and betake themselves to earn their bread by any kind of honest labour they can get to be employed in. So little instruction as this, so low a degree of learning, might, one would think, be safely taught without danger of its inspiring any undue elevation of mind, any conceit or vanity."

(2) by Henry Stebbings, D.D.

" Consider only what we are to expect if once the religion of Fine Gentlemen shall come to be the

religion of the Poor. Do you think that this freedom of thought would not everywhere produce a corresponding freedom of action? Would your houses be safe from being plundered, and your daughters secure from violence? Would poor men do the duties of poor men, and bear the burdens which God has laid upon them with patience?"

The accelerated increase in trade and in urban populations which began from about 1760 onwards increased the numbers of those who by ignorance and lack of moral training were a social danger. How great was the criminal and semi-criminal population of London, for example, was strikingly demonstrated by the Lord George Gordon riots in 1780, vividly described in Dickens' *Barnaby Rudge*. In that same year Robert Raikes, the editor and proprietor of the *Gloucester Journal*, started his Sunday School. His description of it roused much interest and many imitators; in 1785 a London Society was formed for multiplying such schools, and in 1786 it was estimated that 200,000 children were being taught in them to read the Bible and to write. The special merit of these schools was their extreme cheapness; Robert Raikes paid his schoolmistress eighteen pence per Sunday, and Dissenters, who took up the idea very readily, lent their chapels for the purpose. Goodwill and zeal on the part of teachers and taught made up for many defects; and to the Sunday Schools we must attribute very largely the strong hold of evangelical religion on the working classes of England in the nineteenth century; which was, M. Elie Halévy thinks, the great safeguard against revolution.

With the beginning of the nineteenth century came the rise of the factory system. The early cotton factories exploited water power and the labour of little children supplied as apprentices by Poor Law Guardians and Overseers. These unhappy victims of competitive greed, packed closely together by night and overworked by day

(or *vice versa* if on the night shift) became alarming centres for the diffusion of infectious disease, and therefore were brought under some sort of regulation by Sir Robert Peel's Act of 1802. This contained a clause requiring that the children should be taught reading, writing and arithmetic during a part of each day, a sort of recognition of a duty of the State in relation to elementary education. Simultaneously the factory idea of mass production was applied to education, introduced, strange to say, from India.

Andrew Bell, born at St. Andrews in 1753, in due course was ordained as a missionary and left for India as a Chaplain to the army of the East India Company. In 1789 he was appointed Superintendent of the " Madras Male Orphan Asylum," in which the orphan and deserted offspring of European soldiers and Indian mothers were housed and educated. He found his staff of teachers so ill-educated and inefficient themselves as to be almost useless, and so he resorted to the device of picking out boys from eight years of age and upwards and setting them to teach their contemporaries. His health failing, he returned to England in 1796, and in 1797 published an account of his methods as *An Experiment in Education.* A copy of his book fell into the hands of Joseph Lancaster, a young Quaker, and he developed the hints it contained in a remarkable manner. In 1801 he found a large one-room building in Borough Road, and posted up a notice : " All who will may send their children and have them educated freely, and those who do not wish to have education for nothing can pay for it if they please." Here he collected a school of a thousand children, and taught them through " monitors " selected from among the children, the monitors themselves being under the direction of a body of super-monitors to maintain order. No physical punishment was allowed, and discipline was maintained partly by rewards in the shape of decorations and partly by punishments in the form of making the

culprit unpleasantly conspicuous, as, for example, by putting him in a cage which was hoisted up by ropes and pulleys and held suspended above the heads of the other children. The monitors had half an hour before the school was opened to learn the lessons of the day, and, though the learning was necessarily mostly by rote, under Lancaster's management the whole thing went with a swing, Lancaster's principle in school management being " Let every child have, for every minute of his school-time, something to do and a motive for doing it." His results were never tested, but the distinguished visitors who came to see were greatly impressed. The Duke of Sussex was one of these ; through him Lancaster was introduced to George III, who declared, " It is my wish that every poor child in my dominions should be taught to read the Bible." With such encouragement the " Royal Lancasterian Society " was launched, mainly through the instrumentality of the Quakers Joseph Fox and William Allen, to become later, when Lancaster fell out of favour with the Committee, the " British and Foreign School Society."

Lancaster was a Quaker ; he did not proselytise ; he taught reading by means of texts written large and displayed, but he did not teach the Catechism, and his supporters were drawn chiefly from Dissenters, Whigs and Benthamite Radicals. As early as 1805 a vigorous antagonist appeared in the person of Mrs. Trimmer, who denounced Lancaster as the " Goliath of schismatics," and the *Quarterly Review* followed her lead. Andrew Bell was drawn from his retirement, lauded as the real and original discoverer of the monitorial system, and in 1811 the " National Society for the Education of the Children of the Poor in the Principles of the Established Church " was launched, with Bell as the chief organiser. With greater financial resources, and the parochial system as a basis, it soon outstripped its earlier rival, and the fierce competition between the two societies stirred up afresh

the old hostility between Church and Dissent, which had been dying down through the spread of Evangelicalism in both camps.

This rivalry and hostility were destined to determine the conditions under which elementary education developed up to the end of the century. Whatever merit the monitorial system may have had in the hands of the original inventors, in the hands of others it supplied schools about as bad as schools animated by good intentions could possibly be. Their claim to support was cheapness, and the subscriber was promised a great deal too much for his guinea. A disused warehouse of sufficient size, one man gifted with ordinary commonsense, and put through one month's preliminary training, was, according to the speech of the Secretary of the National Society at the annual meeting in 1816, all that was needed for a school of from nine hundred to a thousand children. The wage offered to the teacher so trained was a little more than that of an ordinary skilled artisan. Exactly how bad the schools were can only be guessed, but according to inspectors' reports of the year 1845 about half the children who went through the whole school course left unable to read, only one in four of them could write at all, and not two per cent. had a fair knowledge of arithmetic. But the zeal of the supporters of these schools long prevented the institution of any public organisation of education.

The first attempt, made in 1807, to provide a national system nearly succeeded. The philanthropic brewer, Samuel Whitbread, carried through the House of Commons a Bill empowering parish vestries to establish schools and levy rates for the purpose ; but the Bill was rejected by the House of Lords. In 1816 Henry Brougham succeeded in obtaining the appointment of a Select Committee of the House of Commons on the " Education of the Children of the Poor in the Metropolis." He ascertained that only about one man in four of Londoners could read, and

fewer women, but formed the opinion that if existing endowments were properly utilised they would be sufficient for the maintenance of the necessary number of schools, if the State provided the funds for building. His enquiries about endowments led later to the creation of the Charity Commission, but they aroused great resentment among the parochial clergy. When, therefore, in 1820, he brought in an Education Bill on Whitbread's lines, he tried to conciliate the Church by a provision that all teachers must be members of the Church of England and be appointed only on the recommendation of the incumbents of their parishes. This roused the wrath of the Dissenters, and counterbalancing concessions to Dissenters alienated the clergy, and the Bill was defeated.

No further move was made till 1833, when the Whig Government, supported by a huge majority containing many zealous reformers, ventured on putting into the Budget a grant of £20,000 [1] a year for elementary education, balancing this by a provision of £30,000 for the repair of the royal stables. The grants were for building only, on condition that at least half the cost was met locally, and the application was recommended by the National Society or the British and Foreign School Society. In six years £120,000 was so given, and £280,000 was raised locally to earn the grants. In 1839 a miniature Education Department was created as a Committee of the Privy Council, and grants were slightly raised, so that in five years £170,000 was granted, to meet local contributions of £430,000. Then the Education Committee instructed its inspectors to report on the value of the work done, and their reports practically killed the monitorial system.

A substitute was found in the system of apprenticeship known as the pupil teacher system, the distinction

[1] For a summary of legislation, and statistics of attendance, etc., up to 1890, see Sir Henry Craik, *The State in its Relation to Education* (Second Edition, 1896).

between a monitor and a pupil teacher being that the pupil teacher only began to teach after having passed through the ordinary classes and attaining the mature age of thirteen. From thirteen to eighteen they received further instruction and small stipends, and at eighteen if possible were passed on to a training college, a number of which already existed, Borough Road, founded by the Lancasterian Society, and Battersea, founded in 1839 by Dr. Kay (Sir J. P. Kay-Shuttleworth) and handed over later to the National Society, being the first. The scope of the Treasury grants was extended to include school maintenance as well as building, so that the Department might have, in its power of inspection and of refusing the grant, a lever with which to force up the standard of efficiency. In consequence the annual grants increased rapidly,[1] and with them the voluntary contributions, as every extra grant was an extra turn of the screw to compel increased efficiency and consequently greater expense. Churchmen and Dissenters accordingly formed rival societies for securing a partial or complete shifting of the financial burden on to the rates, but neither party could acquiesce in the proposals of the other.

Up to this time everything that had been done had been done departmentally, the officers of the Education Department framing their proposals and submitting them to officers of the Treasury, and with their consent passing them on to the Education Minister and the Chancellor of the Exchequer, Parliament being only concerned to the extent of giving its formal approval to the budgetary items. In 1858 the House of Commons intervened, and passed a motion calling for a Royal Commission of Enquiry. The Commissioners, following recent precedents, appointed Assistant Commissioners to carry on local investigations, and made their report on the basis of the information so collected. They found that out of an estimated child population of school age of nearly three

[1] £40,000 in 1842, £160,000 in 1852, £842,000 in 1861.

and a half millions, about two and a half millions were in school, of these about one-third in private adventure schools, one-third in public schools receiving grants, and one-third in public schools not receiving grants and consequently not under inspection. Poor districts were unable to fulfil the conditions on which state aid was given ; out of 525 rural parishes in Devon and Somerset with populations less than six hundred only three had grant-aided schools. Of the three classes of school the private adventure ones were considered the worst, those inspected and in receipt of grants the best, but even those were bad. The upper classes containing the pick of the children were found to be fairly efficient, but dull children got little attention and learnt nothing intelligently. The Commissioners never asked themselves whether anything better could be expected at the price. The average cost was estimated at about 30s. per head per annum, of which the State contributed one quarter, fees and voluntary contributions the rest. Assuming that half the 30s. went in teachers' salaries and half on other expenses, classes of an average size of a hundred [1] would be necessary to give the teachers salaries averaging £75 a year, which certainly could not be above the minimum necessary to attract competent men and women. The obvious remedy was more and better paid teachers and smaller classes ; but so far were the Commissioners from coming to this conclusion that they were horrified by the calculation that on the existing system the cost to the Treasury might rise in course of time to two millions a year.

The chief proposals of the Commissioners were that rates in aid of voluntary efforts should be levied by the larger boroughs and counties, devoted specially to helping the schools in the poorest quarters of towns and in

[1] As late as 1895, happening to visit a state-aided school, I found the Standard III class numbered 130 boys. One teacher, unaided, took them in all their subjects. I was astonished at the work done under these conditions being as good as it was.

poor rural parishes ; and that Treasury grants should be determined by individual examination of the children.

The proposal to make education compulsory was naturally rejected. The Education Minister (Robert Lowe, afterwards Lord Sherbrooke) declined to adopt the first recommendation, as to impose rates without giving ratepayers any control would be resented by them, and to give them control would be resented by the clergy, and in neither form could the necessary Act of Parliament be got through both Houses. An alteration in the method of giving grants, however, was only a departmental matter ; and so he embodied the proposal for individual examination in the New Code of 1862. By this grants were made of 4s. per head for each child in average attendance, and of 2s. 8d. per head for every pass in reading, writing and arithmetic, the maximum grant per child being 12s., and all children over seven being examined individually. In announcing this decision he said, " If the new system is costly, it shall at least be efficient ; if it is inefficient it shall be cheap." The idea of " Payment by Results " appealed to the commercial mind. " As an ingenious instrument for arresting the mental growth of the child, and deadening all his higher faculties, it has never had, and I hope will never have, a rival." [1]

Grants had previously been made to the teachers direct ; from this time they were made only to school managers ; and these generally jumped at the natural but mistaken conclusion that maximum progress in reading, writing and arithmetic would be attained by concentrating all effort on those subjects. As a rule, therefore, everything else except the religious instruction was cut out of the curriculum, and teachers and children alike were nauseated by the monotony of their labours. The schools declined from bad to worse ; year after year the grants fell off till in 1865 the total had been reduced to £635,000.

[1] Edmond Holmes, *What is and what might be* (1912), p. 110.

As the grants fell, school managers tried to economise by reducing staffs, and therefore increasing the average size of classes. Harassed themselves, they drove the teachers harder, and the worried, overworked and underpaid teachers passed on the pressure to the children. The staff of inspectors being all too small to carry through at all fairly and adequately the individual examination every year of nearly a million children, it was necessarily hurried and perfunctory. The dodge of securing passes in reading by making children learn passages by heart was frequently adopted ; and according to an official estimate made in 1866 it took on an average 2,920 hours of instruction to teach a child to read—that is three hours per day for five days per week for four years, allowing only three weeks' holiday per annum. Lastly, inspectors began to report cases of managers insisting on sick children being carried from their beds to school on the examination day, and when scarlet fever was prevalent, coming to school with peeling skins and bandaged throats to swell the number of passes. These reports had their effect, and in 1867 the " payment by results " system was modified sufficiently to allow the grants to begin to increase again, but only by extending the principle and allowing grants also for subjects other than the " Three R's."

The Second Reform Act, passed in 1867, gave the borough franchise to all men householders and to men lodgers paying ten pounds a year and upwards for their lodgings. It was the result of economic developments which raised prices, wages and rents ; and the extension of the franchise, combined with the economic movement which caused it, made further delay in tackling the problem of elementary education impossible. Politically, it was agreed that " we must educate our masters " ; from the business point of view, in a world of railways, steamships, and manufacture for a world market, illiterate workmen were an expensive anachron-

ism. In 1870 the first English Education Act was passed, not without difficulty, as every possible compromise between the extreme claims of Church and Chapel was denounced by both parties. Howbeit, in the words of Tenniel in *Punch*, Mr. W. E. Forster succeeded in working out the problem " by reducing the fractions to their lowest common denomination."

The country was divided into " School Districts," one of them being what is now the administrative County of London, but what was then the area of the Metropolitan Board of Works together with the City ; the others, provincial boroughs, and in the country, single parishes large enough to support a school. In every school district the inhabitants were given the opportunity, if there were any chance that they could avail themselves of it, to bring up the accommodation in voluntary schools to the number of places required for the children of ages five to thirteen ; otherwise School Boards were created, elected by a rate-paying franchise. Except in London, which was divided into electoral districts, each voter had as many votes as there were members of the Board to be elected, and could give them if he so chose all to one candidate, or distribute them among the candidates as he liked. This system enabled each religious denomination to select its own candidates, and usually to get them elected pretty nearly in proportion to the number of its adherents. In provincial boroughs the system worked well ; the standard of intelligence and public spirit was, on the average, higher on the School Boards than on the Borough Councils, and enormously superior to that on Boards of Guardians ; in London it was awkward to work ; in rural parishes it allowed, as probably any other system of election would have allowed, the local farmers to dominate the Boards, and to express in their administration the theory that the less schooling labourers' children got the better. But the passing of the Act enabled many a parish clergyman, who perhaps had been

vainly struggling for years to raise funds for a Church school, to point out to his parishioners how much cheaper it would be to get the school, on which Parliament insisted, through the National Society and the State Building grant, and to let him run it, than to be saddled with a School Board and a compulsory rate. In London and in some other towns many voluntary schools were handed over to the Boards, but between 1869 and 1876, while rather over half a million school places had been provided in Board Schools, the accommodation in Voluntary Schools had increased by over a million places.

Compulsory attendance was introduced gradually between 1870 and 1880, and in 1891 elementary education was made free. The efforts of educationalists could then be concentrated on the quality of the education given. The school leaving age, which might in 1880 be as low as ten years if the local School Board so chose, was raised step by step; and at last in 1895, the system of Payment by Results based on individual examination was abolished. As Mr. Holmes puts it:

> "Having for thirty years deprived teachers of almost every vestige of freedom, the Department suddenly reversed its policy and gave them in generous measure the boon which it had so long withheld. . . . For thirty-three years they had been treated as machines,[1] and they were suddenly asked to act as intelligent beings. For thirty-three years they had been practically compelled to do everything for the child, and they were suddenly expected to give him freedom and responsibility—words which for many of them had well-nigh lost their meaning. To comply with these unreasonable demands was beyond their power. . . . What happened —I will not say in all schools, but in far too many— was that the teaching remained as mechanical and unintelligent as ever, that the teacher continued to distrust the child and to do everything for him, but that the child gradually became slacker and less industrious. . . . Apart from an honourable minority, who had always

[1] They had been *trained* to mechanical methods from the beginning of the century.—G. S.

been in secret revolt against the despotism of the Code, the old teachers were helpless and hopeless. The younger ones had been through the mill themselves, first in the Elementary School, then in the Pupil Teacher Centre, and then in the Training College (both the latter having been in too many cases cramming establishments like the Elementary School) ; and when they went back to work under a head teacher who was wedded to the old order of things, they found no difficulty in falling in with his ways and carrying out his wishes. If a young teacher, fresh from an exceptionally enlightened Training College, became an assistant under an old-fashioned head teacher, he soon had the ' nonsense knocked out of him,' and was compelled to toe the line with the rest of the staff." [1]

The distressingly slow rate of improvement after 1895 is not surprising.

But even in 1910, when the above words were written, Mr. Holmes was able to add that " there are many elementary schools in England in which bold and successful departures have been made from the beaten track," and to describe in some detail a village school of about 120 children, working on the principle of allowing full expression to children's natural instincts, the instinct to talk and listen, to act dramatically, to draw, paint and model, to dance and sing, to know the why of things, to construct things ; a school where the children who under the old regime had been " dull, lifeless, listless, resourceless," had become " bright, intelligent, happy, responsive, overflowing with life, interested in many things, full of ability and resource." Whereas " the basis of education in this country, as in Christianity generally, is the doctrine of original sin," in that school it was the conviction that " the child's better and higher nature is his real nature." [2]

Since 1910, and much more since 1918, the leaven has been working. The crude theological and psychological theories, which endeavoured to make men virtuous by

[1] *Op cit.* pp. 111-3. [2] *Ibid.* p. 165.

elaborating in sermon and picture the horrors of purgatory and hell, in our own country got a fresh lease of life and access of degrading power through the development of the factory system, which made its profits, and indeed still makes its profits, by subjecting its "hands" to a discipline which forbids the healthy expression of the natural instincts of body and soul. In the field of industry it is still widely assumed that men respond to no motive but the pecuniary one; in the field of education that children must be disciplined by elaborate systems of competitive rewards and punishments; but the nation turns more and more for guidance to the scientific study of psychology, linked with physiology. In consequence our children to-day are taller, heavier, stronger, happier, more intelligent, and better behaved, kinder to one another and more affectionate. To the recent developments of education which have produced this result we must return in a later chapter.

Turning from the nation's care for the education of the children of the independent working men to its care of those who are in a special sense "the children of the State," we find the nineteenth century record a melancholy one. These children, for whose nurture and upbringing responsibility was laid on the Poor Law Board and Boards of Guardians, came under three classes. The most numerous were the children of parents—mostly widows and sick—in receipt of poor relief; the second class comprised orphans and deserted children, termed by the Guardians their "permanent children"; the third class those termed "ins and outs," children whose destitute parents, refused out-relief, came into the workhouse when driven by starvation and left it again when they found the workhouse discipline intolerable or saw a hope of making ends meet outside, the children each time being dragged in or out at the heels of their parents.

Till the appointment of the Poor Law Commission of 1905-9 no real enquiry was made into the principles on

which the practice of Poor Law authorities should be based; and it was actually determined by conflict between inconsistent and confused ideas. In 1698 King William III urged that "poor children should be Christianly instructed," and that workhouses should be made "nurseries for religion, virtue and industry." After 1834 Sir George Nicholls and his colleagues were anxious that at least the orphan and deserted children should receive education enough to give them a fair chance of earning their own living, instead of perpetuating hereditary pauperism;[1] but the Poor Law Board which succeeded them was dominated by the theory that no responsibility must be transferred from parents to the community, and that the principle of "less eligibility" should be applied to all sorts and conditions of human beings receiving public assistance. Poor Law children must therefore be worse educated—if indeed this should be possible—than the children of the "worst paid independent labourer," for fear that independent labourers should become paupers in order to get educational advantages for their children. It may seem strange that this doctrine should be applied even to orphans, as though independent labourers might be tempted to commit suicide in order to secure for their children admission to a workhouse school, if such a school were made decently efficient; but perhaps it was supposed that they might conceivably be tempted to desert their children, and it must be remembered that permanently deserted children were classed for administrative purposes with orphans. As for the Guardians, with the great majority the actual and immediate amount of the poor-rate was the first consideration, and frequently the only one; theories about education interested only a small minority. Thus Sir George Nicholls tells us, as noted above, that in 1850 the

[1] "They regarded education as the most important means of eradicating the germs of pauperism from the rising generation, and as the best protection for the institutions of society." Sir W. Chance, *Children under the Poor Law* (1897), p. 6.

600 odd Boards, having in their schools about 34,000 children of school age, employed between them 383 schoolmasters at an average salary of £31 a year, and 501 schoolmistresses at an average salary of £21 a year. As for the children in receipt, through their parents, of out-door relief, the Poor Law Board forbade Guardians even to pay their school fees, until in 1855 this decision was overruled by Parliament. Children on out-door relief from 1834 to the end of the century numbered about 200,000, more often more than less. With the grant of an addition for each child up to a certain number of a shilling or eighteenpence per week to the family dole, the Poor Law authorities considered that their responsibilities were completely discharged. However, in 1876 School Attendance Committees were created by Act of Parliament, for the purpose *inter alia* of securing the attendance of these children at school without cost to the parents.

For the children on in-door relief the Poor Law authorities could not so easily evade responsibility. With regard to these there was a distinct difference of opinion between the great majority of the Boards of Guardians, who preferred that the children should be in the workhouses, and the Central Authority and its inspectors, who favoured their removal to special institutions. Infants and children of all ages on in-door relief numbered, in 1839, 64,570.[1] There were 42,767 housed in 478 workhouses, together with the adult paupers, the remainder farmed out in private establishments. The farming-out system was specially prevalent in London ;[2] and the largest establishment, that belonging to a Mr. Aubin at Norwood, contained a thousand children. This particular establishment was so well conducted that Dr. Kay,

[1] Nicholls, *op. cit.* vol. ii. p. 365.

[2] It will be remembered that Jonas Hanway's Act of 1761 required, in consequence of the terrible mortality of young children in London workhouses, that all under the age of six must be removed to distances not less than three miles from the nearest point in the cities of London and Westminster.

then an Assistant Commissioner, urged that all the indoor children, numbering, apart from the infants, about 50,000, should be removed from the workhouses and accommodated in a hundred District Schools, in order that they might be taught economically, by a better class of teachers than those employed in the workhouse schools. Dr. Kay was specially concerned with the need of getting the children away from the moral and physical pollution of the workhouse ; but his idea was approved by the Central Authority on the ground that the numbers of children in each workhouse were too small for division into classes, and so they could not be " instructed in an advantageous manner." [1]

With one schoolmistress at a salary of £21 per annum and rather less than one schoolmaster at £31 per workhouse school, it can well be imagined that the children were not usually " instructed in an advantageous manner." One Assistant Commissioner, E. C. Tufnell, reported that he paid particular attention to the schools in his inspections : [2]

> " I attempted to examine them, but the result was so absurd that I was obliged to give it up. A total ignorance of the Bible and of arithmetic, mis-spelling and blunders of every conceivable sort, characterised their examination papers. Being ignorant of the art of controlling and disciplining children the teachers sometimes resorted to cruel punishments to maintain their authority. I remember that in one school the master said that he could not keep the boys in order, though he had broken several sticks on them. In another the children apparently read fluently, but on examining their books I found that many were held upside down. The children could not read at all, but had been taught to repeat certain sentences, and to hold their books before them as if they were reading, and thus visitors were made to believe that the children were well instructed in reading. In numerous instances I find,

[1] Nicholls, *loc. cit.*

[2] *20th Report, Poor Law Board*, p. 129, quoted Chance, *op. cit.* p. 7.

by reference to my notes, that I had to recommend the instant dismissal of teachers for gross inefficiency, cruelty, or immorality."

A special enquiry in 1842 discovered cases in which the teachers themselves could not write.

The objection urged on behalf of Boards of Guardians against the proposed District Schools was that they could not be used for the " ins and outs." In rural districts the great majority of the children on in-door relief were the families of agricultural labourers, who, receiving bare subsistence wages when in work, and denied out-door relief when out of work, were driven periodically into the workhouse and compelled to bring their families with them. These children could not, without violating principles of parental responsibility then considered sacred, be separated from their parents ; and so for them the workhouse schools would still have to be maintained, if the " permanent " children were sent away.

The workhouse schools were not *all* bad. The exceptions were few, but notable. When in 1836 the Atcham Union was constituted the Guardians advertised for a schoolmaster. No one having previous experience applied, so the Guardians appointed " a practical agriculturist of good moral character," who turned out to be an educator after Froebel's heart. He was allowed land for a school garden to the extent of between two and three acres for eighteen to twenty boys, and he made gardeners of them, teaching them to study the best ways of doing the work and to do it well ; they were also taught knitting and plaiting straw, and they made hats for themselves. Lazy boys were punished by being made to stop working, and to watch the others at work, till they begged to be allowed to work again. Naturally those who went through the school with few exceptions did well in after life. Real Kindergartens on similar lines worked with great success in Ludlow, Cowley, and in the Reading and Wokingham District School.

For a short period the workhouse schools came within the purview of the Education Department. In the budget of 1846 the sum of £15,000 was granted towards the payment of teachers' salaries, subject to favourable report by the Department's inspectors. Hence the schools were included in the scope of the Royal Commission on Education of 1859. It reported that " the workhouse schools are generally so managed that the children contained in them learn from infancy to regard the workhouses as their homes, and associate with grown-up paupers whose influence destroys their moral character and prevents the growth of a spirit of independence," and that " the arrangements of workhouses are unavoidably such as to make it extremely difficult to procure or retain competent teachers." Of the children on out-relief, numbering 290,000 on January 1, 1859, the Commission reported that as a class they were " in a condition almost as degraded as that of in-door pauper children." On the other hand the Commission commended the District Schools, of which there were then six in existence, three in London and three in the country, each maintained by several Boards acting in combination ; and it recommended their compulsory establishment for the whole country.

Meanwhile there was slowly working up a feminist attack on the fundamental principle of " less eligibility " for all in receipt of poor relief, as applied to three classes of paupers, the aged, the sick and the children. In 1847 a Miss Louisa Twining took up district visiting in the neighbourhood of the Strand. In 1853 [1] an old lady to whom she had been accustomed to read the Bible, being no longer able to support herself, had been removed to the workhouse, and begged Miss Twining to continue her visits to her there. She did so, and found the house contained 500 inmates of both sexes and all ages, under the

[1] For Miss Twining's experiences and work see *Recollections of Workhouse Visiting and Management*, 1880.

control of a master and matron, " a good homely couple." The matron was the only woman on the staff ; for the nursing of the sick and the care of the infants and young children she had to rely on the help she could get from female paupers ; she did her best, and regretted that it was no better. Miss Twining thought it would be helpful to organise lady visitors, but to this the Board of Guardians refused consent. She applied over their heads to the Poor Law Board, which also disapproved of such visits as subversive of workhouse discipline. Shortly afterwards the master and matron, the " good homely couple " retired, and the Strand Board appointed as master one of the porters, whom as porter Miss Twining had found " so rude and insolent that she dreaded to encounter him," and appointed as matron his equally obnoxious wife, and a reign of terror began in the workhouse.

This stirred Miss Twining to fresh efforts ; she wrote to the *Times*, and the *Times* published her letters. Lay and medical opinion was stirred, and people began to realise what " less eligibility " meant in practice. There was, for instance, the case of a consumptive cripple, deemed incurable, confined to his bed for years, and never allowed the slightest variation from the prescribed workhouse diet, designed intentionally to be repulsive. Dr. Bence Jones made an inspection of St. Pancras workhouse and reported it to be " horrible." In 1857 Lord Raynham, in consequence of this report, moved in the House of Commons for a Select Committee of enquiry, but the President of the Poor Law Board assured the House that everything was " perfectly satisfactory," and that an enquiry would hurt the feelings of the estimable men and women employed by the Guardians. Undaunted, Miss Louisa Twining and the growing body of like-minded people brought various aspects of workhouse administration before the first meeting of the Social Science Association held in Birmingham in the same

year, and formed a " Central Society for the Promotion of Workhouse Visiting." As Secretary Miss Twining kept gently pegging away, equally careful never to overstate her case and never to miss an opportunity of pressing it. The Poor Law Board very grudgingly gave way on the question of permission to visit, provided in each case that the Guardians and the Chaplain approved ; and in 1861 Lord Raynham was successful in getting his Select Committee.

It was found that in the majority of poor law infirmaries and workhouse sick wards there was not a single paid nurse. In 1850, in the whole number of over 600 workhouses and workhouse infirmaries there were but 248 paid nurses, receiving salaries averaging £14 a year, and in 1860 this condition was only slightly changed. Not until 1865, and then only through the generosity of a private individual, was a trained nurse appointed anywhere in the country.[1]

The immediate effect of the enquiry so far as children were concerned was that in 1862 Guardians were authorised to send children to " Certified Homes " maintained by philanthropic associations. This power was utilised gradually to a considerable extent ; nearly all Roman Catholic, Wesleyan and Jewish children being thus transferred to homes maintained by their co-religionists, and later there followed a gradual exodus of blind, deaf and dumb, crippled, and idiot children to appropriate specialised institutions.

In 1865 the coming of cholera stimulated the public conscience by its timely reminder of the kinship between rich and poor, at least in respect of susceptibility to disease. Deaths of paupers in Holborn and St. Giles workhouses, apparently due to inhumanity and neglect, induced Thomas Wakley, the owner and editor of the

[1] This, however, is not surprising, as the systematic training of hospital nurses was initiated by Florence Nightingale in St. Thomas' Hospital, London, after the Crimean War, 1854-5.

Lancet, to commission three medical men to write reports on the treatment of the sick in all the London workhouses; and provincial newspapers published similar information in regard to the local institutions. Mr. Gathorne Hardy, President of the Poor Law Board, was converted to the principle that the sick "are not the proper objects for such a system" as that of deterrence applied by means of the workhouse. The Metropolitan Poor Act of 1867 created the Metropolitan Asylums Board to maintain hospitals; in this way the Metropolitan Common Poor Fund was established, which affected children as well as the sick.

The income of the Common Poor Fund is derived from a rate levied over the whole of London; and out of this income is met, not only the expenses of the Metropolitan Asylums Board, but also all expenses of particular Boards of Guardians which the Central Authority, with the assent of Parliament, allows to be levied on the fund. The extreme reluctance ordinarily felt by Boards of Guardians to any avoidable expenditure fades away when the cost is thrown almost entirely on other unions. The Poor Law Board thus obtained an effective means of enforcing on London any particular policy which it happened to favour; and it actually used this weapon, not only to enforce the new policy with regard to the sick, but also to discourage out-relief, and to stimulate the transfer of children from the London workhouses to "District Schools," *i.e.* separate schools used jointly for several unions, or similar separate schools maintained by particular unions.[1]

These residential institutions became known as "Barrack Schools." The earliest had been established to take the place of contractors' "farms" for pauper children, when an outbreak of cholera during the 1849 visit had occurred in the Norwood school mentioned above; those at Ashford and Forest Gate were established in 1868 under the

[1] Set footnote on opposite page.

financial stimulus of the Common Poor Fund. They failed to realise the glowing hopes of their friends. The massing together of so many children, frequently overcrowded, with a steady flow of new entrants from workhouses and infirmaries, favoured outbreaks of infectious disease, and ophthalmia became rife in many of the schools. With at first very little provision for either out-door games or in-door amusement, and no holidays, the life was dull and monotonous ; and there were complaints that girls, in particular, on leaving school were unfit to cope with ordinary domestic duties, though untrained for any other occupation. This last complaint led to the appointment in 1873, by the President of the Local Government

[1] On November 24, 1894, sixteen unions were combined in School Districts and maintained the following schools :

Situation.	Boys.	Girls.	Infants.	Total inmates.
Hanwell - -	533	399	201	1,133
Sutton - -	1,076	101	364	1,541
Banstead - -	—	629	—	629
,, - -	365	234	156	755
Herne Bay - -	58	71	37	166
Witham - -	105	117	—	222
Anerley - -	446	329	119	894
Ashford - -	367	279	131	777
Forest Gate -	318	275	108	701
	3,268	2,434	1,116	6,818

The Bethnal Green, St. George's-in-the-East, Hackney, Holborn, Islington, Lambeth, Marylebone, Mile End, St. Pancras, Shoreditch, Strand and Westminster Unions had separate schools on the outskirts of London, accommodating 2,247 boys, 1,590 girls, and 884 infants. The total number of children in the care of the Guardians, apart from those receiving out-door relief, was at that date 17,807, classified as follows :

In Workhouses and Workhouse Infirmaries -	2,131
In District and Separate Schools - - -	11,539
In Certified Schools - - - - -	2,567
In the training ship *Exmouth* - - - -	582
Boarded out - - - - - - -	968

v. *Report of the Departmental Committee on Metropolitan Poor Law Schools* (1896).

Board, which had replaced the Poor Law Board, of Mrs. Nassau Senior, the first woman Poor Law inspector, to enquire into the merits of the barrack schools as training schools for girls. She emphatically condemned the whole system, as bad both physically and mentally for the children.

This report stimulated the search for other substitutes for the retention of children in workhouses ; but it led to no immediate change in London methods, except that the administration of the schools was gradually improved, overcrowding abated, and more care taken to prevent infection. The improvement, however, hardly kept pace with the increased demands of public opinion on behalf of children ; while the consequent increase of cost upset the old theory that economy increased in proportion to the size of the school.[1] Dissatisfaction consequently grew. Ophthalmia and other infectious diseases broke out from time to time ; in 1890 twenty-six children lost their lives in a fire at Forest Gate school, and in 1894 one of the nurses in the Brentwood school was sentenced to penal servitude for cruelty to the children. Various associations concerned with child welfare were stirred ; an influential deputation to the President of the Local Government Board secured the appointment of the " Departmental Committee on Metropolitan Poor Law Schools " (1894-6). The Committee, which contained educationists as well as members experienced in poor law administration, condemned the barrack school system,[2] not only on account of its actual shortcomings, but for its fundamental nature ; and recommended that a new London authority should be created to supervise and regulate all Poor Law institutions for children, and that inspection should be re-

[1] In 1894 it was found that the average cost per child per year in the Metropolitan Schools was £29 5s. 0d., as compared with £15 12s. 0d. for normal children in Certified Homes and £13 6s. 8d. for boarded-out children.

[2] The condemnation did not apply to the *Exmouth* training-ship maintained by the Metropolitan Asylums Board.

transferred from the Local Government Board to the Board of Education.[1]

All efforts to give legislative effect to this recommendation or any similar plan of reform failed; but Mrs. Barnett[2] formed the "State Children's Association" to carry on the campaign for amelioration. In 1899 the South Metropolitan School District, which had the great schools at Sutton, was dissolved; and when the next public enquiry was made by the Poor Law Commission (1905-9) "an extraordinary all-round improvement" was found in the schools that remained.

The alternative to the barrack school which was recommended by the Departmental Committee was "boarding out"; the plan regularly adopted in Scotland. The method is to find some cottage with spare room for a child or two, occupied by a motherly woman who will undertake to feed, clothe and lodge an orphan for a definite sum per week sufficient to cover the cost. The plan is obviously a good one if suitable homes are selected, obviously one also liable to great abuse otherwise. It had been authorised in England by Gilbert's Act of 1782, but was only rarely adopted. In 1864 it was advocated for general adoption in the *Journal of the Workhouse Visiting Society*. In 1868 various Boards of Guardians asked for and obtained reluctant permission from the Poor Law Board to try the experiment, and as the movement spread an inspector was sent to Scotland to enquire into its working there, and, apparently much to his surprise, found it very successful. The Poor Law Board therefore, while still strongly disapproving, permitted Guardians to

[1] The Report roused great resentment, and was attacked fiercely by spokesmen of the Boards of Guardians and the Local Government Board. Sir William Chance's *Children under the Poor Law* (1897) is largely taken up with an attempt to prove that the Committee was biassed, its report unfair and contrary to the evidence. But as he himself says "Aggregation of children in great numbers in large barrack-like buildings cannot be good for them" (p. 121), the case against them must be regarded as proved.

[2] Dame Henrietta Barnett, wife of the late Canon Barnett of Toynbee Hall.

board out children within their own areas when they could not be dissuaded. In 1869 the question was raised whether a philanthropic lady in Westmorland should be allowed to receive orphans from Bethnal Green as boarded-out children ; when this proposal was vetoed as entirely preposterous the lady in question checkmated the Board by receiving the children without payment. At this point Parliament intervened, and the Board was compelled to issue Orders for Boarding Out, both within and without the unions concerned. At the end of the century about 8,000 children were so provided for.

The boarding out system is scarcely applicable to any but orphan children, and even for orphans it was not as successful in England as in Scotland. The Inspectors of the Board attributed this difference to Scottish "superiority in culture and moral tone," [1] but another obvious explanation is that the authorities were aiming at impossibilities. On the one hand they wanted the children to be a credit to them ; on the other they insisted on applying to these orphan children the principle of "less eligibility." The boarded-out children were to be well clothed, well fed, well educated and well cared for in every way, and yet their condition must in no respect compare favourably with that of the children of the most poverty-stricken labourers who yet managed to get on without help from the poor rates. The weekly payment to foster-parents was fixed at three-and-six or four shillings per week per child, which was more than labourers getting fifteen shillings a week could spend on their children, and yet not enough to pay for what was demanded.

The "Scattered Home" system, adopted by Sheffield in 1893, was a modification of the boarding-out plan. Houses of an ordinary working-class type were rented in different healthy suburbs, and put in charge of "foster-

[1] *Fourth Report of L.G.B.*, p. 196, quoted Chance, *Children under the Poor Law* (1897), p. 224.

mothers," and made to accommodate from 15 to 28 children each, who were to live together like a large family and go to neighbouring elementary schools. Here again, by making the numbers in each house so large, efficiency was partly sacrificed to the cheapness demanded by the doctrine of less eligibility. On the other hand the " Cottage Homes " system was a modification of the barrack school idea, the great edifice being replaced by a number of houses, each accommodating about thirty children, all within one compound. This system was extensively adopted by London unions when the barrack schools were finally discredited. It is the most expensive of all, and in these homes the " less eligibility " principle is discarded. Of all the methods tried of bringing up destitute orphan children it is probably that which gives the best results, at least so far as their physique is concerned.

CHAPTER VIII

THE CARE OF THE CHILD IN THE TWENTIETH CENTURY AND THE MINISTRY OF HEALTH

In no respect perhaps is the difference between the nineteenth and twentieth centuries in England so marked as in the attitude of the nation towards childhood and towards health. If we look for the causes of the change we may find them (*a*) in the beginning of scientific study of sociology ; (*b*) in the strengthening of democracy in political and industrial life, which made impossible the enforcement of a deterrent poor law ; (*c*) in the rise of feminism, particularly that aspect of feminism which brings a feminine element into phases of the national life previously dominated by men ; (*d*) in the rise of a new ruling caste of medical men, whose power and prestige, based on new knowledge, now surpasses that of the priests, and rivals that of the financiers ; (*e*) in the fact that babies are now valued more highly in proportion to their scarcity ; and (*f*) in the shock to national complacency supplied by the South African War, which marked the close of the Victorian Age. When the war was over the Transvaal gold mines were almost forgotten in the anxiety over the national physique. The operation of these social forces may be considered separately.

(*d*) Only in the briefest possible manner can we here allude to the amazing progress of medical science in recent years. As distinct from surgical science—for which Harvey in the seventeenth century laid the foundation by his discovery of the circulation of the blood, and which

in the middle of the nineteenth century advanced rapidly through the discovery of anaesthetics, the Listerian principle of aseptic surgery and the use of antiseptics—medical science may be said hardly to have existed fifty years ago, for there was no basis of accepted hypothesis for it to be built upon. In Chaucer's time the physicians of England imagined they had a sound scientific basis for the study of disease in the theory of the four (or five) elements [1] and the three humours,[2] and based on it their Allopathic system, similar to and perhaps ultimately derived from the Indian systems, which argue, for example, that malaria, being a cold disease, should be treated with pepper. Subsequent medical progress consisted for centuries in discarding the theoretical basis of the traditional practice, and building up records of observed facts with regard to the phenomena of diseases, with only faint hope of discovering their nature and causes, a phase which has left its mark in the classification of diseases as " Diseases of the Chest, of the Throat and Ear," etc.

The possibility of re-discovering a theoretical basis for medical science was provided by the re-discovery of Roger Bacon's principle, the supreme value of optics. About 1830 the microscope was improved sufficiently to become an effective tool for medical research ; later apparatus of various sorts, *e.g.* the laryngoscope, was invented for seeing inside the body ; the spectroscope, invented as a handmaid for astrology, opened up new fields of investigation into molecular physics, whence the discovery of X-rays by Röntgen in 1895 and of Radium by Mme. Curie in 1902.

Darwin's *Origin of Species* (1859) made men realise the unity of animal life, and Pasteur's work, beginning with the investigation of fermentation, proceeded to the investigation of silkworm disease (1865), and thence to two

[1] Air, earth, fire and water, and in India also " akasam," which is subtle and indefinable.

[2] Wind, bile and phlegm.

diseases communicable from animals to men, anthrax and rabies. Science at last was on the track of the causation of disease. In 1884 Koch found the cholera microbe, and later isolated the bacillus of tuberculosis ; and the science of Bacteriology was well on its way. Morbific protozoa, malaria, yellow fever, sleeping sickness, yielded up their secrets to the growing band of eager researchers ; the existence of non-filterable viruses, the functions of vitamins, and of hormones secreted by ductless glands were detected, and the ancient Greek science of heliotherapy re-discovered. It has become impossible to ignore the duty of turning so magnificent an accession of knowledge to the service of the whole population, and especially of the nation's children.

(*b*) and (*c*). In the Labour world the triumphs of Trade Unionism on a craft basis of the 1850-1876 period were followed by a severe set-back in the subsequent intense depression which paved the way for the preaching of Marxian Socialism in the eighties, the rise of labour unions and the great Dock Strike of 1889. A new type of Labour leader appeared, men whose monosyllabic Christian names excited the mirth of the *Morning Post*, John Burns, Will Crooks, Ben Tillett, Tom Mann, Jim Sexton, Keir Hardie, Will Thorne—men of widely different abilities and characters, but with two things in common, a background of experience of intense poverty, and a power of seeing great visions. In other times and places such men would have been revolutionaries ; but when the dockers on strike marched through the City and West End to find money flowing into their collecting boxes, and all London rejoiced when " the dockers' tanner " was won, the idea of revolution faded away. The energy of the movement flowed along various channels ; one of the most fruitful being service on local governing bodies. The reform of 1894, which abolished the property qualification for membership of Boards of Guardians and the plural vote for their election, made

effective labour representation on these bodies fairly easy. Almost at the same time it was realised that the service of women on Boards of Guardians was both possible under the existing law, and desirable, and from 1894 onwards they have formed a continually increasing proportion of the total membership. Women and working men, Ibsen said about this time with good reason, were the two new powers which would dominate the history of the next century.

The effect of the entry of women on the Boards was great and important, without raising controversial issues. The great majority of the women guardians were keen on the detail of the work ; they raised the standard of efficiency, of humanity, of courtesy, and of financial probity. The worst types of guardians, those who had got elected to manipulate the contracts for workhouse supplies, and those who delighted in bullying women applicants for relief, were replaced by women or by better men. While inmates of the workhouses and widows and orphans on out-relief were directly benefited, the indirect effect of the better diffusion of knowledge of poor-law problems throughout the community was equally important.

The influence of the coming of women on the Boards of Guardians was a gentle and persuasive force, operating in many places all over the country. The coming of working men was an explosive force, operating only where labour candidates were returned in sufficient numbers to influence the policy of the Boards to which they were elected. In such cases there was bound to be a conflict with the central authority, for the traditions of the Poor Law Board, inherited by the Local Government Board, were as obnoxious to the Socialists of the end of the nineteenth century as they had been to their Chartist predecessors of sixty years before. The Poplar Board was the protagonist. Poplar is the poorest union in London ; it is peculiarly the home of dock and riverside workers, an area of mean streets, of all places in the

South of England the most destitute of beauty and amenity. It was profoundly stirred by the Great Dock Strike of 1889, after which the new trade unionists determined to select and maintain a man from their own ranks as their spokesman and representative on the London County Council and the Poplar local authorities. They found the man they wanted in Will Crooks, a cooper, who had himself as a boy been an inmate of Poplar workhouse and the Sutton barrack school. In 1892 the Poplar Labour Party succeeded in electing ten members to the Poplar Board out of a membership of twenty-four, among them being Will Crooks and the Socialist George Lansbury, and they exercised a powerful influence on its policy. The resulting conflict with the central authority ultimately led to the appointment of the Poor Law Commission of 1905-1909, the questions at issue being the treatment of the aged in the workhouse and the granting of out-relief to unemployed men. To these issues, and to the Commission itself, we must recur in later chapters.

(*a*) Various writers at different times have endeavoured to apply scientific methods on extensive or intensive lines to the analysis of the social conditions of London life with a view to ascertaining causes of crime, disease or poverty ; among the most notable being Patrick Colquhoun in the beginning of the nineteenth century, and Henry Mayhew [1] in the middle. All these efforts were eclipsed by the great work of Charles Booth, whose *Life and Labour of London* was published in sections between 1889 and 1902, and it was followed by a series of similar studies by Mr. B. Seebohm Rowntree of York, whose *Poverty, a Study of Town Life*, was published in 1901. These enquiries caused a revolution in public opinion on all matters relating to poverty. Both in its pessimism and in its optimism the complex of economic ideas centering around the Malthusian doctrine was proved to be mis-

[1] *London Labour and the London Poor*, first edition published in 1851.

taken. So far from population increasing faster than the means of subsistence, the means of subsistence for the people of England throughout the nineteenth century had been increasing much faster than the population. On the other hand, the theory that through the operation of the forces of supply and demand the wages of labour would necessarily rise in proportion to its increased productiveness, was shown not to be so completely true as to prevent the continuance of a great mass of degrading poverty side by side with swelling wealth. The condition of the worst-paid independent labourer was seen not to be determined entirely by the relation between the number of manual workers and the quantity of capital, or of any particular sort of capital ; and, moreover, not to be determined definitely by economic law at all. Hence, though very vaguely, people began to see the principle of " less eligibility " in a new light ; that, in fact, it is better stated the other way round, as the principle of greater eligibility —that the lot of even the reckless and thriftless pauper, who has become a pauper through his own weakness of character, should be made, both in appearance and reality, more eligible than that of the convicted criminal ; and the lot of the worst-paid independent labourer should be made more eligible than that of the pauper. The creed of the Poor Law Board had been, and that of the Poor Law division of the Local Government Board still was, that " economic law " and the decrees of Providence necessitated poverty verging on destitution for the masses of the population, and that all attempts to elevate the condition of those masses could have no permanent effect other than that of depressing others to the same low level. Hence the inference that the aim of the State in relation to poverty should be to prevent the poor from seeking outside help by making the conditions of receiving such help effectively obnoxious. By the end of the nineteenth century that outworn creed had been repudiated by all thinking persons outside a very narrow circle ; and the

practical inference drawn from it had to be set aside. The country was known to be rich enough, if incomes were distributed approximately according to needs, to keep all its decently behaved families in reasonable comfort, and an increase in the average level of comfort of the manual workers had been proved to tend to reduction instead of increase of birth rates. Lastly, it came to be realised that with the development of larger businesses in industry, linked together by complex relationships, liable to fluctuations of fortune from unforeseen financial and other events all over the world, the economic prosperity of any particular working-class family depended very largely on factors beyond its own control. Poverty and destitution were therefore social maladies as well as individual misfortunes, and it became the duty of the State to explore and mitigate their causes ; in other words, the problem was to prevent destitution, rather than to terrorise the destitute into abstaining from asking public assistance.

On the other hand the crude economic theories of the beginning of the nineteenth century were to some extent galvanised into a fresh appearance of life by the crude biological theories set afloat by misconceptions of Darwinism. The phrases " struggle for existence " and " survival of the fittest " passed from mouth to mouth when the popular intelligence began to recover from the shock of being told that " Darwin says men are descended from monkeys." It was assumed that " the fittest " meant the ablest and most vigorous in body and mind, and not merely the fittest to survive in the existing environment, who might be, under some conditions, the most callous and selfish, under other conditions the most dull and unenterprising. However, before the new biological arguments for the perpetuation of the law of the jungle, " each for himself, and God for us all, as the elephant said when he danced among the chickens," had time to exercise much influence, there came a better under-

standing of the relationship between biological and social theory.[1]

During the closing years of the nineteenth century the effect of these developments of opinion was seen in the enforcement on the Local Government Board, by successive Presidents (Mr. Henry Chaplin, Mr. Walter Long and Mr. Gerald Balfour) of new policies in relation to old age and unemployment. The beginning of the twentieth century saw a still greater change in the handling of problems relating to child life.

(*f*) Between October 1899 and May 1902 the British Empire was at war with the Transvaal Republic and the Orange Free State, which comprised between them a Boer population (men, women and children) of between two and three hundred thousand. With the help of kinsmen in the Cape Colony the two republics were able to put in the field as many as 40,000 men at one time, but they were finally overcome by the forces of the United Kingdom, aided by detachments sent from Canada, Australia and New Zealand. The world marvelled at the prolongation of the conflict; and in our country even the most Jingoistic were shaken in their faith in the superiority of the Briton as a fighting man over all foreigners. The cry went up that the descendants of the victors of a thousand fights, from Creçy to Waterloo, were sadly degenerate. The Army Recruiting Office seemed to confirm these fears by issuing a report which showed that the rejections among men wishing to enlist ranged between forty and sixty per cent. Accordingly, in 1903, an Inter-departmental Committee was appointed on Physical Deterioration, with the instruction:

> "1. To determine . . . the steps which should be taken to furnish the Government and the nation at

[1] For this we are largely indebted to the work of Professors Patrick Geddes and J. Arthur Thomson. *The Character of Race* is a very interesting study by Elsworth Huntington in the application of Darwinian theories to human geography, and *The Disinherited Family* by Eleanor Rathbone is a distinguished example of its application to social economics.

large with periodical data for an accurate comparative estimate of the health and physique of the people.

"2. To indicate generally the causes of such physical deterioration as does exist in certain classes.

"3. To point out the means by which it can be most effectually diminished."

The composition of the Committee was curious. Although its business was to enquire into questions of health it contained no representative of the nation's central health authority. Instead, in the Committee of six, there were three representatives of education authorities, Mr. Legge, Inspector of Reformatory and Industrial Schools; Mr. Lindsell, principal Assistant Secretary to the Board of Education; and Mr. Struthers, Assistant Secretary to the Scotch Education Department. Mr. Fitzroy, Clerk to the Privy Council, was Chairman; Colonel Onslow, Inspector of Marine Recruiting, represented the Defence Forces; and Dr. Tatham, of the General Register Office, supplied the element of expert knowledge of medicine and vital statistics.

The Committee, which reported in 1904, quickly came to the conclusion that the question of the existence or non-existence of physical deterioration could not be answered for lack of reliable information with regard to the standard of physical fitness attained in earlier times. They attributed the deterioration in the standard of army recruits to the men presenting themselves coming mainly from a lower class, viz. from unskilled and casually employed or unemployed lads from the poorest quarters of towns; the facts available for the civilian population indicating on the whole a slight improvement rather than deterioration. Leaving aside, therefore, the question of physical deterioration, they applied themselves to an examination of the causes and remedies for physical unfitness.

On this the general sense of their report was that the physical condition of the poorer classes in the towns was very bad, but capable of very rapid improvement.

" Laziness, want of thrift, ignorance of household management, and particularly of the choice and preparation of food, filth, indifference to parental obligations, drunkenness, largely infect adults of both sexes, and press with terrible severity upon their children." To remedy this state of affairs they recommended fundamental changes in the scope and methods of the national system of education, and in the manner and spirit in which the Central Health Authority did its work.

Dog does not eat dog, nor do Civil Servants in one department of the national service readily cast aspersions on those in other departments, or depreciate the value of their work. Nevertheless the condemnation passed on the Local Government Board as a Health Authority, though expressed as mildly as possible, was severe and uncompromising.

> " 124. The public health is a matter of the highest general concern . . . the Committee have a firm belief in the soundness of" [the principle of devolution to local authorities], " but they hold no less strongly that an important function remains for the Central Government as representing the nation at large, viz. to watch the play of local administration throughout the country and to bring influence to bear on backward districts, with a view to levelling them up to the standards attained in what are by general consent the best administered areas. They venture to doubt whether this latter consideration had received due prominence. The mass of routine work in which the Local Government Board is immersed affords it little time [1] for the consideration of questions of public policy in the sphere of health, and may render it slow to assume the responsibility of applying new principles of administration ; but it is in these directions that opportunities for improvement lie. . . .

[1] Mr. Lithiby, Assistant Secretary to the Local Government Board in charge of the Public Health Department, repudiated the suggested excuse of lack of time. He evidently did not consider that the Board had any need to apologise for its systematic neglect.

"136. Nothing has been brought more prominently to the notice of the Committee than the ignorance which prevails even in quarters that ought to be well informed as to what the law and the powers which it confers are. A statement on this subject was prepared for the information of the Committee, with the assistance of the Local Government Board ; and it appears to them that the Board could not do better than issue it, with such additions as they think proper, to all local authorities.

"137. The Committee are given to understand that the pressure from above, which in many cases they consider so necessary, is very intermittently employed ; indeed, in some spheres of the Board's possible activity, it was allowed by Mr. Lithiby that the powers conferred are held in permanent suspense. Thus in no case, with a view to compelling the enforcement by the local authority of 'any provisions of the Act which it is their duty to enforce' has the Board ever made an order under s. 299 of the Public Health Act, 1875, limiting the time for the performance of their duty by the local authority ; nor has an order, so the Committee believe, ever been issued under s. 31 of the Housing Act, 1890 (Part II), even if, as seems doubtful, any such order is enforceable.

"138. It is not for the Committee to say that the Board is in no circumstances justified in dispensing with the exercise of the functions to the discharge of which it is called by the Legislature, but they are concerned to learn that in matters so closely touching Public Health as are covered by the parts of the statutes mentioned, there appear to be insurmountable obstacles to the use of the powers of the Board."

As a result of the neglect of the L.G.B. to "consider questions of public policy in the sphere of health," to "bring influence to bear on backward districts," and even to see that local health authorities were well informed with regard to their powers and duties, and of its practice of "holding in permanent suspense the powers conferred on it in some spheres of its public activity," the Committee found, for example, that in London the "very low" standard of 300 cubic feet of space per adult for

bedrooms, and of 400 cubic feet for rooms occupied day and night, which "ought to be strictly enforced," was not enforced; that Manchester still had 3,000 back-to-back houses, and 206 insanitary common lodging houses with 5,831 inhabitants; that in Sheffield the drainage was bad, "many rubble sewers being still in existence, and the sanitary conditions shocking in respect of a large number of unpaved courts which receive the contents of the middens, and are therefore saturated with filth. There are also a large number of unwholesome dwellings, no fewer than 15,000 on the back-to-back system, most of them with no more than three rooms, and sometimes occupied by eight, ten or even twelve persons. Therefore it is not surprising that 'the number of deformed persons is something terrible,' and that the infant mortality goes up in one district to 234 per 1,000." [1] The Committee seemed to consider that the conditions in the Potteries were even worse than in Sheffield; Health Committees of the local authorities being packed by the owners of slum properties, the remedy suggested locally being, in defect of "drastic interference from headquarters," "registration of owners of slum property, and the rendering the Medical Officer of Health independent of the local authority." [2]

The recommendations of the Committee constituted a programme of reform of which many items have since been accomplished, generally with excellent results. They are here re-arranged, with some attempt to put them in a logical order.

[1] Par. 113, based on evidence of Mrs. Greenwood, a Sanitary Inspector of Sheffield.

[2] In London and in Scotland Medical Officers of Health could neither be appointed nor dismissed without the sanction of the Central Authority. In the rest of the country, while appointment required sanction, dismissal did not. It was within the power of the L.G.B. to protect an energetic medical officer from dismissal by a local authority dominated by slum-owners for being too zealous in doing his duty by refusing sanction to the appointment of his successor, but Mr. Lithiby's evidence showed that the L.G.B. never interfered in such cases.

The task was a twofold one, the accurate ascertainment of the facts and the development of remedial agencies.

For the first purpose the Committee recommended :

(1) Periodic anthropometrical surveys carried out in schools and factories.

(2) Registration of sickness.

(3) Registration of house-owners, with a special view to slum property.

(4) A special enquiry into the causes and effects of over-fatigue.

(5) Systematic medical inspection of children in schools, and of young persons in mines, factories and workshops.

(6) Registration of still-births.

(7) A special enquiry into the problem of the notification of syphilis, and into the adequacy of the means of treatment.

With regard to the machinery of public health administration it recommended :

(1) The creation of an Advisory Council to supervise the Local Government Board—" to give the knowledge and stimulus which are necessary in order to give to the Public Health side of the Local Government Board's administration a prominence which the multiplicity of its other functions may have tended to obscure."

(2) The appointment of whole time Medical Officers of Health with reasonable security of tenure for all sanitary districts above a certain population.

(3) That the Central Health Authority (the L.G.B. or any new authority superseding it) should demand from local health authorities reports on what they were doing and leaving undone, and " endeavour constantly to level up backward districts to the standard attained by the best administered districts."

(4) That the Central Authority should issue a statement with regard to the powers and duties of local authorities.

(5) Co-ordinate powers for Factory Inspectors and

Medical Officers of Health with regard to insanitary conditions in factories and workshops ; and strengthening of the law for inspection and supervision of workshops.

With regard to education and the care of children it recommended :

(1) That all teachers in state-aided schools should learn hygiene, and that special encouragement should be given to them to learn cookery.

(2) That cookery should be taught in schools by continuation classes, attendance of girls being compulsory.

(3) That every dwelling should have a cooking grate.

(4) That the employment of women in factories after child-birth should not be allowed without medical certificates that the employment was not likely to be injurious to the health of the mothers, and evidence that proper provision was made for the care of the infants.

(5) That instruction should be provided to mothers in the feeding of infants and general "mothercraft" ; and existing crêches utilised to teach girls the care of babies.

(6) That Provident Societies and Maternity Funds should be helped *out of charitable funds*.[1]

(7) That the milk supply should be controlled effectively.

(8) That in rural schools attendance under the age of five should be prohibited, and that it should not be compulsory under the age of six, or perhaps seven.

(9) That games and physical exercises should be included in the school curriculum for all children, and in continuation schools, and school authorities should co-operate with voluntary organisations in the provision of school meals for underfed children.

(10) That special attention should be paid to children's eyes, ears and teeth, and teachers should give instruction in the care of these.

[1] The Committee was much influenced by Sir C. S. Loch, and did not recommend subsidies out of public funds.

On other matters it recommended :

(1) That the powers of rural local authorities under Part III of the Housing Acts of 1890 and 1900 should be supplemented by powers similar to those of Irish Rural District Councils under the Labourers' (Ireland) Acts, 1883-1903 ;[1] and that they should be stimulated into using these powers, and also in the provision of small holdings.

(2) Drastic action with regard to prevention of overcrowding and clearance of slums.

(3) Provision of gymnasia with qualified instructors in open spaces.

(4) That all cases of smoke pollution of the air should be tried by stipendiary magistrates.

(5) Prohibition of juvenile smoking.

Apart from its detailed findings and recommendations, one effect of the whole enquiry, combined with some realisation of the significance of the appalling mortality among the Boer children in the concentration camps, was the bringing into prominence of the facts with regard to infant mortality. While the work carried out by Chadwick and Simon had greatly reduced the general death-rate the infantile death-rate had merely fluctuated. In quinquennial averages the mortality of infants under one year per thousand live births had been :

Years.	I.D.R.	Years.	I.D.R.
1855-1859	154·2	1880-1884	141·8
1860-1864	152·0	1885-1889	140·0
1865-1869	158·4	1890-1894	148·4
1870-1874	155·0	1895-1899	157·8
1875-1879	146·2		

the extreme variation being from 130 in 1881 to 163 in 1895 and 1899.

The first step taken to prevent this loss of life was the passing of the Midwives Act of 1902, which required some

[1] These Acts gave Irish agricultural labourers a statutory right to good cottages and large gardens. See below, Chapter XI.

very modest minimum qualifications from the women to whose care the lives of mothers and infants were entrusted at the moment of childbirth, and it created a Midwives' Register. Dr. (afterwards Sir) William Power, who became Medical Officer to the Local Government Board in 1899, was beginning to get some recognition of the importance of infants' lives into the consciousness of the secretariate of the Board.

It will be seen from the above summary that the Educationists in the Inter-departmental Committee and their colleagues saw the problem of elementary education in a light far different from their predecessors, from Joseph Lancaster to Robert Lowe and W. E. Forster, who had fashioned the existing organisation. It was no longer a matter of enabling children to read the Bible or repeat the Catechism, nor even also to get enough writing and arithmetic to supply the business world with cheap clerks, but of creating a population physically as well as mentally efficient. The possibility of bringing this wider conception into effect had fortunately been provided by the reform in the machinery for elementary education carried through in 1902 and 1903 by Lord (then Mr.) Balfour. To the circumstances which led to these measures we must now recur.

The first thirty years after the abolition of the Corn Laws in 1846 were characterised by a rapid expansion of foreign and internal trade, and of urban industries, for which an undue share of the credit was popularly assigned to Free Trade. Depression of trade became severe in 1877, and was intensified by the calamitous harvest of 1879. While British agriculture from year to year struggled with increasing difficulty against the competition, first of foreign grain, then of cold storage meat, and lastly of imported eggs, butter and cheese, manufacturing industries found European and American competition more and more formidable in one market after another. The old Protectionism had been the protection of the landed

interest against the manufacturing towns; now the manufacturers in some districts, particularly in the Midlands, began to hanker for protection themselves, and Mr. E. E. Williams' book *Made in Germany* had a great popular success. Lancashire was only concerned to the extent of demanding equality with native cotton mills in the Indian market, its great markets being in tropical and sub-tropical regions. But the woollen industry of the West Riding, catering for the temperate zones, was more severely hit, though not as yet much affected by foreign imports into Britain, and Bradford took the lead in organising technical education. Technical education was a form in which Government assistance could be given without raising the fierce fiscal controversies of the early part of the nineteenth century.

The County Councils were created in 1889, and when in 1891 Parliament was induced to pass a measure authorising local expenditure out of the rates for technical education these larger bodies were considered more suitable bodies for administering the new service than the School Boards. On the Councils of County Boroughs business and manufacturing interests were well represented, and religious issues did not dominate the elections. The accident of the miscarriage of a Government proposal to diminish the number of public houses by extinguishing licences, and compensating licensees out of the proceeds of a special tax on spirits, after the tax had been agreed to, then left the House of Commons with a source of revenue to dispose of, and it handed over the "Whisky Money" to the County Councils to assist technical education.

But the School Boards themselves were beginning to respond to the new current of opinion. From 1860, and even more from 1870, there had been a cry that "the middle classes were making a rod for their own backs by educating the children of working men." From 1890 at least it was realised that it was the superiority of the

education of children of working men abroad which really threatened middle-class prosperity. In London and in many of the provincial cities the School Boards entertained larger ideas of the content of the category of "elementary education," the only definition of elementary education being that it excluded "higher education," higher education itself being defined as all education other than elementary. Lively competition set in, and ratepayers began to wonder whether they were not paying twice over for the same gifts from the two sorts of local authorities. Further, the pace of educational advance was made too hot for the religious organisations maintaining voluntary schools; and the educational backwardness of the school areas as yet unaffected by the new movement became too glaring to be overlooked.

Accordingly Lord Balfour's Education Act of 1902 abolished School Boards throughout extra-metropolitan England and Wales. Councils of County Boroughs were given charge of all forms of education; Councils of Counties shared the duty with the Borough Councils and the District Councils of the larger Urban Districts within their area, and the local authority which thus became entrusted with elementary education, whether County Council, Borough Council or Urban District Council, was authorised to meet the cost of the secular part of the education given in voluntary schools, leaving to the religious organisations the responsibility for maintenance, repair, enlargement and improvement of the school buildings, and for the provision of the religious teaching. In 1903 a similar measure was passed for London, abolishing the London School Board, and giving full powers for the provision of all sorts of education to the London County Council.

The aspects of this reform which specially concern us here are (1) the abolition of the "single school districts," and of other local education areas too small for efficient administration, and (2) the transfer of elementary educa-

tion to authorities primarily created for health purposes. But these were not the features which attracted public attention. The Dissenters, who since 1832 had been paying without protest taxes out of which grants were made to Church Schools, found their consciences outraged by a law which required them to pay rates liable to be used similarly. " Conscientious objection " was organised. The objectors, when paying their rates, made calculations as to the portion which would go to the support of the schools maintained by the Churches of England and Rome, and deducted a few pence accordingly, and submitted to seeing household possessions seized and sold to defray the sum in dispute and the much larger sum incurred in costs, and these possessions, bought by their admirers, were restored to them with much *éclat*. Thus an agitation was kept alive, which no doubt helped to swell the Liberal majority at the subsequent General Election, after which it was hoped the obnoxious subsidising of " Popery and Prelacy " out of the rates, as distinct from its inoffensive subsidising out of the taxes, would be repealed.

The Liberal Government, however, interpreted whatever pledges its leaders might have made to " deal with the education question " in a different sense. It had to do something, and resolved to do something worth while. In 1906 it passed the Education (Provision of Meals) Act and in 1907 the Education (Administrative Provisions) Act. The former enabled local education authorities to provide school meals in concert with voluntary agencies, to spend up to a halfpenny rate, and to charge the cost to the parents who were able to pay. The latter required them to provide for medical inspection of all children on entering school, and on such other occasions as the Board of Education directs ; and enabled them to provide for medical attendance, recovering the cost from parents able to pay, besides giving varied powers with regard to vacation classes, recreation, etc.

In this way the Board of Education became a public health authority, charged with the duty of supervising the school medical service created under these Acts. This service in 1927 employed 1,252 school medical officers and assistant school medical officers, of whom 269 gave their whole time to the school service, 600 to that and other public health service, 383 being part-time officers ; 888 specialists engaged for ophthalmic, aural, anaesthetic, X-ray and orthopaedic work (all but 16 private practitioners), 307 whole time and 317 part-time dentists, and 4,964 school nurses. In that year 1,823,775 routine inspections were made, and 861,964 special inspections of the five million odd children in the public elementary schools of England and Wales.[1] Sir George Newman has from the beginning, as Chief Medical Officer of the Board of Education, been at the head of this service.

While in this way a new competing Central Health Authority was set up, dividing the field with the Local Government Board, the Poor Law side of the activities of that body, together with the whole range of duties of Boards of Guardians was under a prolonged and minute scrutiny by the Royal Commission on the Poor Law, appointed by Mr. Arthur Balfour's Government in December 1905, just before its resignation and its débâcle in the ensuing general election. " There was no public demand for an enquiry into the working of the Poor Law, and no crying scandal.[2]. . . Why did the Cabinet, on the very eve of its resignation, put itself to the trouble of choosing the members of a large and representative Royal Commission ? . . . Who can read the hearts of Cabinet Ministers or discern their intentions, let alone the grounds of their intentions ? Our own impression at the time was that the Commission owed its creation to the coincidence of there being, as newly appointed head of the Poor Law Division, an energetic man of affairs

[1] Average attendance in 1927, 4,967,394.

[2] S. and B. Webb, *English Poor Law History*, Part II, pp. 470-1.

(James Stewart Davy) intent on reaction; and, as President of the Local Government Board, a philosopher (Mr. Gerald Balfour), who recognised the public advantage of a precise discrimination between opposing principles." To which speculation we may add this detail, that the principles opposed to those of Mr. J. S. Davy, *i.e.* to those of the old tradition of the Poor Law Board, possessed in Mr. George Lansbury an advocate of tremendous energy and magnetic personality. The two protagonists had been in conflict for years over the problems of poor law administration in Poplar, which had only just reached their climax in the Poplar Enquiry of 1905, in which Mr. Davy was the official inquisitor. In that conflict Mr. Lansbury had frequently enlisted the sympathies of a succession of Conservative Presidents of the Board.

The Royal Commission was so large and so representative of different schools of thought, and the problem presented to it so wide and complicated, that it is not surprising that its deliberations lasted until 1909, and that they resulted in a Majority and a Minority Report. The Commission itself was "predominantly a body of experts, either in Poor Law administration or social investigation." The Majority Report appears to have been in the main the production of the representatives of the Charity Organisation Society (its General Secretary, Sir C. S. Loch, Miss Octavia Hill, Mr. Hancock Nunn, Mrs. Bernard Bosanquet, Rev. T. G. Gardiner and Rev. L. R. Phelps); the Minority Report was signed only by Rev. Russell Wakefield (afterwards Bishop of Birmingham), Mr. F. Chandler, Mr. George Lansbury, and Mrs. Sidney Webb, but the preliminary work of investigation and deliberation, and also the actual work of writing it, was mainly done by Lord Passfield and Mrs. Webb.

Both reports recommended the abolition of Boards of Guardians and of the general workhouse; they differed in their constructive proposals, the Minority Report

recommending a redistribution of the duties of Guardians between different statutory Committees of County and County Borough Councils, with the appointment for each authority of a Registrar of Public Assistance; the Majority also recommending that the County and County Borough Councils should be the ultimate local repositories of authority, but that they should act through Public Assistance authorities and Voluntary Aid Committees.

The Majority proposals fell flat; the running was taken up by the supporters of the principles of the Minority, who carried on for some years energetic propaganda for the "Break-up of the Poor Law," which, however, in face of the unyielding opposition of Mr. John Burns, President from 1906 to 1914 of the Local Government Board, attained no success in the field of legislation.

Under Mr. Burns, however, very considerable administrative reforms were pressed upon Boards of Guardians by orders and circulars of the Local Government Board. By these attempts were made, with gradually increasing success, to deal with the worst abuses in the practices of Boards of Guardians with regard to the children under their care. These included some 150,000 children receiving out-relief through their parents, mostly widows, for whom it was the general practice to provide by allowing the mother the smallest sum for which she would undertake to maintain the children, without making any subsequent effort to see whether the children were actually being maintained in any effective manner. The Board's circular of 1910 pointed out that the Guardians, when they gave such relief, were "bound to see that the relief is properly applied, and that the child is not neglected." It was suggested that women should be appointed as Assistant Relieving Officers to carry out this duty. Later circulars directed that the relief given to widowed mothers should be sufficient to enable them to do their part.

What was perhaps the worst abuse of all was the keeping

of young children in the workhouse, usually in the care of pauper inmates, frequently feeble-minded or imbecile women, with only a minimum of official supervision, and exposed to frequent infection from "ins and outs." The Poor Law Commissioners were shocked at what they saw, even in the most elaborate and costly buildings. "In the great palatial establishments of London and other large towns we were shocked to discover that the infants in the nursery *seldom or never got into the open air.* We found the nursery frequently in the third or fourth storey of a gigantic block, often without balconies, whence the only means of access, even to the Workhouse yard, was a lengthy flight of stone steps, down which it was impossible to wheel a baby carriage of any kind. There was no staff of nurses adequate to carrying fifty or sixty infants out for an airing. In some of these Workhouses it was frankly admitted that the babies never left their own quarters (and the stench that we have described), and never got into the open air, during the whole period of their residence in the Workhouse nursery."[1] The mortality among these infants was estimated to be between two and three times as high as for infants in the nation as a whole of the same ages.

In 1913 the Local Government Board prohibited the retention of children over the age of three in workhouses, and demanded decently healthy conditions for those under that age. The employment of pauper inmates to look after the children was made dependent on the approval of the Workhouse medical officer, who was required to keep a record of the health of each infant; and thus, with the assistance of women Guardians, much improvement has been gradually effected.

The changed attitude of the Local Government Board may be associated with a change in the official personnel. In 1908 Mr. Burns had gone outside his official staff to appoint as Chief Medical Officer Dr. (now Sir) Arthur

[1] *Minority Report*, p. 91.

Newsholme, already distinguished by his record as Medical Officer of Health for Brighton. Dr. Newsholme immediately concentrated on the problem of infant mortality ; hence there were, from 1908 to 1919, at the offices respectively of the Board of Education and the Local Government Board, two very able medical officers working strenuously for the same end, the lifting up of the standard of physical and moral fitness of the nation through care of children, making use of different administrative machinery.

Yet another health authority of great importance came into existence with the passing of the National Health Insurance Act of 1911, which made insurance compulsory on nearly all employed persons, in order to provide, through approved societies, sick pay, medical aid, maternity benefits, institutional treatment for tuberculosis, and such other medical benefits as could be covered by the joint contributions of the insured, their employers, and the State. The Home Office also intervened, and by drafting the " Children's Acts " gave them statutory rights, even against their parents, of humane treatment and adequate care.

At last in 1919 the recommendation of the Royal Commission on Public Health of 1869 was carried out, after a delay of fifty years, and the Ministry of Health was created. It took over nearly all the powers of the Local Government Board, those relating to public libraries, museums and gymnasia being transferred to the Board of Education. It also took over the powers of the Insurance Commissioners for England and Wales, those of the Privy Council relating to Midwives' Acts, 1902 and 1918, of the Home Office relating to infant life protection under the Children's Acts (1908, 1910 and 1921), to the treatment of children and young persons, and to lunacy and mental deficiency. Further, by the appointment of Sir George Newman as Chief Medical Officer of the Ministry of Health as well as of the Board of Education, the

unification of health administration so far as the central authority was concerned was practically nearly completed.

Already notable results have followed from the new movement of the twentieth century, some of which are indicated by the statistics :

Year.	General death rate per 1000 living.	Infantile death rate per 1000 births.	Year.	General death rate per 1000 living.	Infantile death rate per 1000 births.
1900 -	18·2	154	1915 -	15·7	110
1901 -	16·9	151	1916 -	14·4	91
1902 -	16·3	133	1917 -	14·4	96
1903 -	15·5	132	1918 -	17·6	97
1904 -	16·3	145	1919 -	13·7	89
1905 -	15·3	128	1920 -	12·4	80
1906 -	15·5	132	1921 -	12·1	83
1907 -	15·1	118	1922 -	12·8	77
1908 -	14·8	120	1923 -	11·6	69
1909 -	14·6	109	1924 -	12·2	75
1910 -	13·5	105	1925 -	12·2	75
1911 -	14·6	130	1926 -	11·6	70
1912 -	13·3	95	1927 -	12·3	70
1913 -	13·8	108	1928 -	11·7	69
1914 -	14·0	105			

That the proportion of children who die before completing their first year of life should in this space of time have been cut down to less than half, that children in school, at least in towns and urban districts, should now be, at any given age, notably taller, heavier, more alert and better behaved, has so far acted only as an encouragement to the nation to press on towards the accomplishment of greater things. The struggle is an unending one. The hostile forces of disease display themselves like an army ever bringing up fresh troops and finding new objectives. Smallpox has become, in general, a trifling complaint, cholera has been kept at bay, typhus sup-

pressed, enteric and tuberculosis reduced to about one quarter of their old killing power ; but other diseases (*e.g.* cancer) have become more deadly, and new ones, or old ones in a new guise (*e.g.* influenza), have appeared.

Meanwhile the strategy of defence of human life, as it has been developed, has also passed on from one objective to another. In the forties " the Sanitary Idea " was concerned almost exclusively with water supply, sewerage and dust collection. In the later course of the nineteenth century and the pre-war years it embraced also the problems of nutrition, physical training, the care of infants and instruction of mothers. Last of all, there has come a clearer realisation of the interdependence of the body and mind ; and one, at least, of the greatest achievements of the twentieth century has been the international association which comprises two million Boy Scouts and seven hundred thousand Girl Guides.

There has been also a similar widening of the national aim in regard to education. The 1902, 1903, 1907 and 1921 Acts have brought all forms of organised teaching within the scope of the central and local education authorities, and have made possible a great increase of facilities for both vocational and cultural education for all ages, ranging from nursery schools to University and post-graduate courses of study. The total cost to the public funds has increased enormously, the percentage of waste of money, we may hope, has somewhat diminished.

CHAPTER IX

HOSPITALS, DOCTORS AND THE STATE

In most countries the maintenance of hospitals is a public service. That our own voluntary system is an ancient inheritance, closely associated with the religious life of our people, is illustrated by the fact that two of the greatest and most famous of the London hospitals, St. Bartholomew's and St. Thomas's, were founded respectively in 1123 and 1213.[1] This association is not peculiar to Christianity. The most ancient existing voluntary hospital is said to be one in Surat, founded by the Buddhist Emperor Asoka in the year B.C. 260 ; and the association of religion with the art of healing in the Indian mind is expressed in the title " Vaidyanathan," " Lord of Healing," given to the supreme deity. In ancient Egypt there were temples with hospitals and medical schools attached to them ; and this also was the case in Greece, the maintenance of such temples, hospitals and medical schools being the worship due to Aesculapius, the God of Healing, the son of the Sun God, for the Greeks discovered—or learnt from the Egyptians—the principle of Heliotherapy, so splendidly utilised by the great Rollier Institute for tuberculosis at Leysin, Canton Vaud, Switzerland.

It was not from Palestine, but from Egypt and Greece that mediaeval Christianity learnt to associate the healing of the sick, the care of the impotent and of mothers in child-birth, with religious worship. The partial preservation of this ancient tradition, together with much learning,

[1] This date is uncertain.

after the downfall of the Roman Empire was largely due to the Arabs. At Salerno, towards the end of the tenth century, the first of the European universities grew up, under the joint influence of the Byzantines and Saracens, who then shared the political government of Sicily. Its primary object was the study of medicine, and it had a hospital attached to it. From Salerno sprang the University of Bologna, for medicine and law; and in Great Britain, Aberdeen originated from Bologna. That the old English Universities of Oxford and Cambridge never developed medical schools comparable with those of Edinburgh and Aberdeen may be attributed to their too exclusive devotion to theology and the preliminary studies of logic, Latin, Greek and Hebrew, preparatory to the course in theology.

We know of no hospitals in England before the Norman Conquest; and we may attribute the fact that the foundations began shortly afterwards to the Conqueror's appointment of an Italian, Lanfranc, to the Archbishopric of Canterbury, to be succeeded later by another Italian, Anselm. Lanfranc himself founded a general hospital in Canterbury, and similar institutions in London followed shortly afterwards. In the twelfth century a great religious movement spread over north-west Europe for the care of the sick, which created numerous orders of nursing brothers and sisters. The Order of Beguines and Beghards was founded in 1170 by Lambert de Bègue, a priest of Liège, and is notable for the fact that the members of the Order do not take the ordinary monastic vows, and may retire or marry, but as long as they are in the Order they devote themselves to the care of the sick. Later we have, founded in 1198, the Order of Brothers and Sisters of the Holy Ghost, and in the beginning of the thirteenth century the Sisters of St. Elizabeth. The institutions classed as hospitals in London in the fifteenth century numbered eighteen, providing for sickness generally, maternity cases, isolation for lepers and others suffering

from skin diseases confounded with leprosy, and hostels for aged and impotent poor. Out of these only four survived the Reformation. Outside London the destruction was even more complete. The linking up religion with the practice of healing has its dangers, as had previously been shown by the expulsion in 1290 of the Jews, among whom were all the best physicians of the time.

In the fourteenth and fifteenth centuries it was considered appropriate that the work of a physician should be a part-time occupation of the clergy, as the best precaution against the physician's magic being black instead of white. Surgery, however, was work for laymen, a bye-occupation for barbers, until in 1354 some London surgeons formed a Gild of their own.[1] This they were not able to maintain permanently, and in 1540 they were united with the barbers to form the Company of Barber Surgeons, which had a monopoly for two hundred years of the right of teaching anatomy and surgery within a radius of the City of London. The instruction given was mainly through apprenticeship.

In 1518 Linacre founded the Royal College of Physicians with a charter from Henry VIII. Its membership was somewhat exclusive, being practically confined to men from Oxford and Cambridge, who, however, if they desired to become reasonably competent according to the standard of the time, had to go abroad, preferably to Italy, to study. They, moreover, had no effective monopoly,[2] and in London a rival body was organised

[1] This, and the contemporary College of Surgeons of Edinburgh, was formed on the model of the Paris College of Surgeons, founded in 1279 by Pitard after his return from Palestine, where he went as surgeon to Saint Louis (Louis X) on the seventh crusade.

[2] The original charter of 1518, conferred by letters patent of Henry VIII, gave an exclusive right to confer licences for the practice of physic within a seven mile radius of the City of London. A confirming Act of 1523 extended this over the whole kingdom ; but it was followed in 1543 by an Act to secure toleration for apothecaries ; and no law was passed prohibiting the practice of medicine by other than licentiates. In effect, therefore, its monopoly apparently went not much farther than the exclusive right to enable a physician to style himself " Licentiate of the Royal

early in the seventeenth century, the Society of Apothecaries, an offshoot of the ancient Grocers' Company. The Apothecaries, who sold drugs, also prescribed ; and the Physicians, who prescribed, also made up their own mixtures, frequently weird combinations, at prices determined by the length of their patient's purse. In 1632 the College of Physicians obtained an order that " no chirurgeon doe either dismember, Trepan the head, open the Chest or Belly, cut for the Stone, or doe any great operation but in the presence of a learned physitian." Towards the end of the same century the College attempted to undercut the apothecaries by calling upon all its members to give advice gratis to the poor, but it failed to secure their obedience. The apothecaries on the other hand developed into a body of general practitioners. In 1703 the House of Lords, by its verdict in the case of Rose *v.* the College of Physicians, decided that they had the right to administer medicines as well as sell them. After the Parliamentary Union with Scotland in 1707 England was invaded by the graduates of the Scottish medical schools. It was in these circumstances that our English system of instruction in medicine and surgery through the schools of the London hospitals was built up.

In 1693 St. Thomas's was rebuilt ; in 1719 Westminster Hospital began modestly as a Dispensary, but speedily developed into a general hospital, designed specially for the assistance of sick prisoners discharged from the London prisons. In 1724 Guy's Hospital was founded out of funds derived from lucky speculation in the South Sea Bubble. In 1733 St. George's Hospital was founded by some of the wealthier subscribers to the

College of Physicians " (L.R.C.P.), and Universities and other bodies continued to grant their diplomas, and it was left to patients to form their own opinions as to the value of each and all of the formal qualifications. Even at the present day the only prohibition of unqualified medical practice is with regard to venereal diseases, under the Act of 1917, and that only operates in areas where a treatment scheme has been brought into operation by the local authority. (Morris, *op. cit.* p. 142.)

Westminster Hospital, who did not consider that they were allowed influence in its management in due proportion to their subscriptions. In 1739 St. Bartholomew's was rebuilt. In 1740 London Hospital was founded, making no charge to inmates. In 1745 Middlesex Hospital was started for smallpox. After this there was a pause in the movement for building general hospitals, due first to outbreaks of typhus which spread to the general population, typhus being significantly known as "hospital fever" or "gaol fever," and later to the succession of wars from the Seven Years' War to Waterloo, and no more were built in London for seventy-five years. Instead there was a movement for building maternity hospitals, the first being the Jewish Lying-in Hospital (1747), closely followed by the City of London (1750) and Queen Charlotte's (1752). General hospitals, however, were extensively built in provincial towns from 1736 onwards, Winchester leading the way.

Even before this eighteenth century movement for hospital building began, medical, or rather surgical schools existed in connection with the two ancient hospitals, St. Bartholomew's and St. Thomas's. In accordance with the traditions of the mediaeval gild system, the Company of Barber Surgeons recruited its ranks by apprenticeship, and the surgeons attached to the hospitals took their apprentices for instruction to the operating chambers. As operations in the absence of anaesthetics had to be performed with maximum speed, and as the use of antiseptics also was unknown, these exhibitions must have been grimly thrilling. For preliminary study of anatomy the Company was by its charter of 1540 entitled to receive four corpses annually of men hanged for felony. The limit of number in due time was ignored, and as the savage penal code of the eighteenth century was built up until the statutory list of crimes punishable with death was brought up to two hundred, the supply of subjects for anatomical study was probably ample until

after the close of the Napoleonic wars. Clinical instruction in medicine came later. In Britain it began in Edinburgh, where Dr. John Rutherford, Sir Walter Scott's maternal grandfather, was appointed to the University chair in the practice of medicine in 1726 after studying in London, Leyden, Rheims and Paris, and he began clinical lectures in the Edinburgh Royal Infirmary in 1748. His example was later imitated in London. Thus by about the year 1760 the general hospitals of London became also medical schools.

In 1745 the surgeons in the Company of Barber Surgeons broke away, and uniting with a little society of retired naval surgeons who were outside the London company, formed a separate association of their own, which in 1800 became the Royal College of Surgeons in London, and in 1843 the Royal College of Surgeons of England. Private schools for instruction were started almost immediately, and in 1746 William Hunter began the systematic courses of lectures from which the Hunterian or Great Windmill Street School of Medicine developed. Meanwhile in 1748 the Society of Apothecaries obtained an Act authorising it to appoint ten examiners, and to institute an examination for its licentiate, nobody being allowed to dispense medicines within a seven mile radius of the City of London without this licence.[1] The Apothecaries were far more active than the College of Physicians in promoting systematic study, being eager to assert an equality in competence against the superior prestige of their rivals ; and this was the more possible as medical practice consisted mainly of administration of drugs, and medical studies were largely concentrated on " Materia Medica."

Among other forces assisting the advance in the eighteenth century we may note the ravages of smallpox and the growth of science and a scientific spirit, and particularly the work of Cavendish, Priestley and others in

[1] By an Act of 1815 this provision was extended over England and Wales.

Chemistry. Smallpox is attributed to a "virus," *i.e.* to something very minute in proportion to the bacilli, cocci, protozoa, etc., to which other infectious diseases are attributed, too small to be held up in a filter or to be visible in any microscope yet in existence. The virus of smallpox, like that of influenza, and perhaps all its congeners, is capable of adaptation to its environment. In the four years 1923-1927 in England and Wales there were only 61 deaths attributed wholly or partly to smallpox out of 34,079 notified cases; measles in the same period killed 17,385 people, and there can be little doubt that it had a far higher case mortality, although as measles has ceased to be notifiable its case mortality cannot be calculated. But in the eighteenth century smallpox was very virulent, and swept over the country in a series of waves of exceptional violence, without ceasing to kill in the intervals also large numbers of people. In London, for which alone statistics are available, it killed 3,138 people in 1710, 3,229 in 1719, and 3,582 in 1763. Unlike other diseases it was as prevalent in the homes of the rich as in those of the poor, and it took its toll even of the Royal Family, hence it greatly increased the remuneration of the medical profession. From 1720 onwards it was increasingly combated by preventive inoculation from exceptionally mild cases, and from 1796 onwards by vaccination.

The effect of all these circumstances upon the hospitals and their students is shown by the formation of societies in them for the discussion of medical subjects, beginning in 1771 with a joint society for St. Thomas's and Guy's, which were then in adjoining buildings near the south end of London Bridge. Societies for the same purpose were also formed among qualified men and a notable reduction in the death rate of the upper and middle classes followed.

In 1820 the creation of new general hospitals began afresh, Charing Cross being founded in that year, the

Royal Free Hospital in 1828, and St. Mary's, Paddington, in 1845. But specially important from the point of view of medical education is the foundation of University College, then known as London University, which was opened in 1828. Then, and even up to 1874, none but members of the Church of England were admitted to the Universities of Oxford and Cambridge, and University College was created for the benefit of the excluded Dissenters ; it was accordingly unsectarian and undertook no teaching of theology. It was speedily followed by King's College, established in 1831 for the benefit of members of the Church of England who preferred London as their place of study. Both these Colleges had hospitals attached to them, opened respectively in 1833 and 1839, these hospitals differing from all their predecessors in that they were established primarily for the sake of medical education.

The establishment of King's College raised the question whether its rival should be allowed to appropriate the title and functions of " London University," and in 1836 it was decided that " London University " should be " University College, London," and that a purely examining body should be created as " The University of London," the degrees of which should be open to any students who paid the entrance fees for the examinations and satisfied the examiners. Medicine was from the beginning one of the faculties, and the London degrees of M.D. (Doctor of Medicine) and M.S. (Master of Surgery) acquired the highest prestige. In 1898 the University of London was reorganised on a federal basis, and the Medical Schools of the London Hospitals became constituent Schools of the University, together with the Arts and other Colleges of London.

The Medical Act of 1858 created the General Medical Council, partly elected by the Colleges of Physicians and Surgeons, the Apothecaries' Hall and the Universities, and partly nominated by the Crown, with the duty of

keeping a Medical Register of properly qualified physicians and surgeons, and the right of removing therefrom the name of any practitioner guilty, in its opinion, of conduct infamous from the professional point of view. It did not interfere with the liberty of the twenty-one existing bodies entitled to license practitioners in medicine or surgery, nor did it abrogate the common law right of any British citizen who so chooses to call himself a physician or surgeon, and to receive in return for his services any payment which his clients may be willing to make. But it pretty effectively discouraged the would-be practitioner not on the register by denying him the right to sign death certificates, to sue for payments, and to have his prescriptions made up by chemists.

Scarcely had the medical profession of the United Kingdom thus organised itself than it came into collision with the rising tide of feminism. From the accession of Queen Victoria the Labour Movement and the Feminist Movement advanced side by side, the latter being able to use the argument that when a woman was occupying the throne, and discharging the duties of a monarch in a far more satisfying manner than any of the kings who had preceded her since the death of Queen Anne, it was illogical to refuse to allow women the chance of proving their fitness for humbler tasks. In 1848, the year of the final outburst of Chartism, Queen's College for Women was opened, through the initiative of Frederick Denison Maurice, the leader of the Christian Socialist movement, and it was followed next year by Bedford College. At first higher education was sought by women, when not purely for its own sake, almost entirely for the sake of improving their qualifications for teaching, but it is not every woman who can be happy as a schoolmistress, and in course of time the graduates of women's colleges began to seek for other careers.

In 1859 the name of an American lady was enrolled on the Medical Register. Miss Elizabeth Blackwell had

graduated ten years earlier at the Geneva Medical School, New York, to which she had obtained admittance after trying in vain at many other institutions in the United States ; and she afterwards came to England to practise. In 1860 Miss Garrett (Mrs. Garrett Anderson), a young lady of Aldeburgh in Suffolk, determined to take up medicine, and searched London and Scotland for opportunities for study. The lecturers who were willing to help a woman to become qualified were few and hard to find, but ultimately she got some instruction in Middlesex Hospital, some in London Hospital, in St. Andrews and Edinburgh. In 1865 she desired to present herself for examination, but was refused entrance by the University of London and the Colleges of Physicians and Surgeons. Only one loophole was left, but Apothecaries' Hall admitted her to examination, and she obtained its licentiate (L.S.A.). In 1870 she obtained the M.D. of Paris.

The issue was now effectively raised, and the fight for the full right of entrance to the medical profession for women was waged briskly. It might have been long and arduous but for the fact that the Missionary Societies threw their weight into the scale on the side of the women. The experience of the Indian Mutiny and the passing of India from the rule of the East India Company to that of the Crown had caused the Societies working in India, while increasing their efforts, also to widen the scope of their methods, relying less on pure religious propaganda and more on efforts to be of material help to the Indian people. Missionary schools, colleges and medical missions became a large and important part of their activities ; but in attempting to deal with the medical needs of women, far more terrible and urgent than those of men, they were faced with the difficulty of *purdah*, the principle of seclusion for women practised by nearly all Mahommedans and the majority of Hindus of the upper classes. Only women were admitted to the zenanas, therefore women doctors must be sent, and

Englishwomen must be allowed to qualify for this work so important in the cause of religion, humanity, and the British Empire. Parliament responded to this appeal, and in 1876 an Act was passed "enabling" all the British medical examining bodies (now reduced in number to nineteen) to confer their degrees on women.

Voluntary hospitals of all sorts were being vigorously built and extended, both in London and in the provinces, right through the nineteenth century. Those in London may be grouped into six classes: (1) the twelve general hospitals which are also medical schools of the University of London, (2) other general hospitals, (3) hospitals for special diseases (consumption and chest diseases, skin, eye, ear and throat, mental, heart, genito-urinary diseases, etc.), (4) for special classes of patients (*e.g.* women, children, convalescents, incurables), (5) for special sections of the population (*e.g.* Freemasons, Jewish, French, German, Italian, seamen, officers, gentlewomen, etc.), (6) for special sorts of treatment (homoeopathic, anti-vivisection, temperance, sea-bathing, orthopaedic, massage, radium, etc.).

The whole system is elaborate, complex, and almost entirely unorganised. Its financial basis is shifting and unsatisfactory. One of its financial resources has remained intact during the last hundred years, the disguised taxation of the medical staff. The most responsible work is done by the Honorary Physicians and Surgeons, who are willing to bestow upon hospital patients the time that they have to spare from private patients in consideration of the prestige attached to these honorary appointments, or of the opportunities afforded of seeing exceptional and instructive cases, or out of humane feeling. The routine work is done mainly by students, partly by students not yet qualified, but mainly by newly qualified men who accept, for the sake of further training and experience, hospital appointments giving, in return for long and exacting hours of work, sometimes bare board and lodging, sometimes a derisory salary.

Next in order come the subscriptions and donations of the wealthy, and the art of securing these in adequate amount is one that has to be most diligently studied by the official staff. One method which in the past has been much in vogue is the Hospital Dinner, at which, after the distinguished and opulent guests have been well fed and wined, moving appeals are made, and with the help of alcoholic sentiment and mutual rivalry promises are recorded ordinarily far in excess of what would have been given in cold blood. Another standing method is to make Governors of all who subscribe above a certain amount. For the purpose of making printed appeals more effective there has been in the past, and still is in less degree, a strong temptation to magnify to the utmost the statistical statement with regard to the patients treated. In the eighteenth century this probably led to a disastrous overcrowding of the wards ; in the nineteenth century it led to an undue multiplication of the numbers of out-patients, allowing time only for the most hurried examination of each case.

In 1871 the question of hospital finance came up for public enquiry. Social conditions were changing rapidly. The passing of the Second Reform Act in 1867 was the political expression of the advance of urban workers in prosperity and self-respect, also made evident by the rapid advance of co-operation, trade unionism and friendly societies. The formation of the Charity Organisation Society in 1869 marked a contemporary effort to apply to the practical handling of problems of poverty the current economic and sociological dogmas of the day as taught by McCulloch in University College, dogmas derived, without as yet any fresh effort at a realistic study of concrete fact, from Ricardo and Malthus.

The report of the Commission on hospital abuse was dominated by the C.O.S. point of view. It pointed out that the pressure on hospital accommodation and the overcrowding of out-patients' departments could be

attributed to the use of the hospitals by people who were well enough off to pay for private medical aid, that others were being treated gratis who could have paid something, and that others might instead have been treated by poor law medical officers. The proper use of out-patients' departments, it contended, was for consultation purposes for patients unable to pay consultants' fees, sent by their own doctors or poor law medical officers. It recommended the sifting and classification of patients according to their ability to pay, organisation of the relationships between the hospitals and the poor law medical service, and the creation of provident dispensaries.

Three developments followed. Hospitals generally appointed "almoners," whose business it was to make enquiries and to assess the contributions to be expected from patients. Under the auspices of the Charity Organisation Society the "Metropolitan Provident Medical Association" was formed to organise provident dispensaries in the London area, and to subsidise them until they were self-supporting. In due course rather more than twenty such dispensaries were established, of which only one, that of Woolwich, still survives, the central association itself being defunct.[1] Thirdly, an organised

[1] Since the Provident Dispensary method served as a working model for the scheme of medical service under the Health Insurance Act of 1911, it may be of interest to note its chief features as it worked at the end of last century. Local committees were formed representing the Churches, the local medical men, the friendly societies and individuals specially interested, a local secretary (who might or might not receive an honorarium, the funds did not run to a salary) and a paid dispenser were appointed, and premises comprising a waiting room, a consultation and a dispensing room taken. Efforts were made to secure the assistance of a medical staff from local practitioners, which sometimes presented a difficulty. Each patient chose his own doctor from the panel. Patients were seen at the dispensary, at the doctors' surgeries, or in their own homes according to their need and the doctors' convenience. Members' contributions were usually 1½d. a week for a woman, 2½d. a week for a married couple, ½d. a week for a child. Half the contributions were paid to the doctor, and half retained for drugs and dispensing and administrative expenses. The doctors got very little, but that little was paid in regular quarterly cheques, without any need for sending in bills. The scale of payments in the surviving Woolwich dispensary is now much higher.

effort was made to widen the area from which voluntary support was derived, by gathering small contributions in large numbers. This was done by the Hospital Saturday Fund, which organised collections for hospitals in workshops on one Saturday in the year, and the Hospital Sunday Fund, which similarly obtained collections at religious services. In some districts, where local trade union and friendly society branches were approached with tact and induced to make street collections with processions flying their banners, the Saturday Fund did very well, but the Sunday Fund proved on the whole the more remunerative effort. Both of these started in 1873. They were later surpassed in effectiveness by King Edward VII's Hospital Fund, organised in 1897 as a national celebration of the Queen Victoria Diamond Jubilee. In recent years increasing financial pressure has compelled hospitals to organise the collection of regular contributions from working men and others of small means, and to adopt a great variety of measures for widening their circles of supporters.

In the twentieth century public contributions began to come to the assistance of voluntary hospitals. The Public Health Act of 1907 enabled local health authorities either to build their own hospitals or to contribute to existing ones in return for services rendered. The Health Insurance Act of 1911 also resulted in co-operation between hospitals and the Insurance Commissioners. A fairly accurate idea of the relative importance of different sources of income may be obtained from the following sample—the financial report for 1926 of one of the great London hospitals. It shows voluntary donations and subscriptions of £16,000, of which over £3,000 came from the staff, the Hospital Saturday Fund gave £1,530, the Hospital Sunday Fund £3,000, and King Edward's Fund £10,000. Contributions from public authorities came to £24,110; nurses and probationers' fees to £4,800. In spite of the fact that this ancient hospital

had also an exceptionally large income from old endowments, the year's deficit was over £19,000.

The war, the monetary inflation during and immediately after the war, and still more the deflation from 1920 onwards, have greatly increased the difficulty of maintaining hospitals on a basis of voluntary contributions. They appear to tend more and more to carry on by running up overdrafts at their bankers until the financial position becomes impossible, and then making a special effort, as for example by some sort of rag day, to wipe off the deficit. Meanwhile there is a rapid increase in the public demands on the hospitals for new, more effective and more expensive forms of treatment, and for collaborating in the great international task of medical research. In these circumstances one cannot help regretting the lamentable ignorance of elementary economics displayed by the legislature when it derated distilleries and refused to derate hospitals, on the ground that the former are, and the latter are not productive. One would have thought that it would be obvious, even to a Chancellor of the Exchequer, that hospitals exist to produce health, which is the best form of wealth, and that distilleries in the main produce not wealth but "illth"; that to subsidise distilleries out of public funds in order presumably to enable them to increase their output, and to increase the consumption of spirits, is inexcusable waste; whereas, to relieve hospitals from paying poor rates and sanitary rates, which handicap them in their own task of combating ill-health and poverty, is both just and expedient.

It does not seem possible that the present system—or rather lack of system—can long continue without great changes. There is a continual need of new developments in hospital service, but no machinery for determining which hospital shall undertake the duty; and whether any hospital can undertake any new work, or any extension or improvement of the work it is already doing,

must depend on the estimate framed by its directors of the extent to which the public will respond to the appeal for the necessary funds. Moreover, when public money has once begun to flow there is a natural tendency for the voluntary donor to feel that there is less need for his contributions ; the question is no longer whether this or that shall be done or not done, but whether it should be paid for in one way or another ; and rates and taxes have the merit that they draw money from the mean as well as from the generous. That there are special merits in the voluntary system cannot be denied. Though hospital nurses as a rule are overworked and underpaid, in quality of work they are probably at least as good as those of any other country. But the transition from being a form of charitable effort into a public service seems to be inevitable and necessary. The problem, therefore, will be the preservation through this transition of all the excellencies achieved in the past.

Another problem which needs to be faced, particularly in London, is the localisation of hospitals. The latest London general hospital, nobly planned by the people of Woolwich as their War Memorial, and splendidly persisted in through intense local depression, is being built on the very summit of Shooter's Hill, encircled partly by Crown woods and recently acquired public open spaces. King's College has moved its hospital to Denmark Hill. But London hospitals generally, though perhaps originally built in open country, are now in the midst of thickly populated areas and busy streets. Pure air and quiet nights are among the things that the sick chiefly need. For accident and emergency cases, and to a less extent for advice to out-patients, the central positions are necessary or preferable ; for cases requiring prolonged nursing they are most undesirable.

With the passing of the Health Insurance Act of 1911 the State entered into a new relationship with the medical profession. In Sir George Newman's frequently repeated

phrase, "The general practitioner is our first line of defence in the campaign against disease and premature death." Under the Insurance Act some 15,000 general practitioners have been enrolled as "panel doctors," and are in effect working as part-time public servants under the supervision, and, to a slight extent, under the control of the Ministry of Health.

By passing this Act the legislature resolved to come to the help of voluntary working-class associations which were recognised as struggling under conditions of great difficulty to perform services of great value to the nation. The situation, as depicted by Mr. Lloyd George in his speech introducing the Bill, was that the masses of the people had been striving to provide on mutual terms insurance against unemployment, sickness, old age and death; that the State has assisted by granting pensions to those over seventy at a cost annually of £13,000,000, but had left the other needs untouched, whereas in Germany insurance against sickness by the combined contributions of workers, employers and the State was working to the great benefit of the nation. He calculated that practically the whole wage-earning population was covered by insurances for funeral expenses, that about 6,000,000 had made some sort of provision against sickness, and 1,400,000 against unemployment, but that the difficulty of keeping up the payments was great, and there were about 250,000 lapses per year. The Government had therefore determined to subsidise insurance, to compel employers also to subsidise it, and to make it compulsory, the working-man paying 4d. a week, the working-woman 3d., employers 3d. and the State 2d. Sick pay was to be at the rate of 10s. per week, a part of the funds was to be set aside to provide sanitoria for consumptives, there was to be a maternity benefit of 30s., and medical advice and treatment during sickness was to be provided. Insured persons were to select their own doctors from a panel, and the panel doctors were to receive for their services 4s.

per patient per annum. The sum of 4s. was chosen as that ordinarily paid by friendly societies to the " club doctors " for advice and medicine ; Mr. Lloyd George considered that this sum was inadequate, and that it prevented the giving of expensive drugs when they were required ; he therefore proposed that the doctors should prescribe only, and that their prescriptions should be made up by chemists, and the drugs paid for separately ; and he anticipated that 4s. would be adequate payment for attendance, diagnosis and advice. The whole service was to be worked as far as possible through " approved " societies, existing friendly societies or new ones on identical principles of control by the members themselves, with the post-office as the last resort as a means of providing for compulsorily insured people who failed to become members of an approved society.

The broad outline of the scheme as thus propounded remains, but the details have been greatly altered. Even before the Bill became an Act it was clear that the proposed arrangement with the doctors could not be made. It is not surprising that Mr. Lloyd George and his official advisers blundered in this matter, for the economics of the medical profession are peculiar, and had been scarcely thought about outside the circle of club doctors and the leaders of the friendly society movement.

The current code of business ethics demands of the purveyor of goods that he should have defined prices, and should sell at those prices indifferently to all customers, whether rich or poor. That code is impossible for a medical man, and still more impossible for the community in relation to medical services. The education of a doctor is necessarily long and expensive, his life is ordinarily arduous, holidays are difficult to manage, night calls interfere with his sleep and lower his vitality, he is continually in contact with infection, his life expectation is low compared with that of other learned professions ; often it may be said of him, " He saves others, himself he

cannot save." For these reasons, and because his necessary working expenses for locomotion and domestic service are high, it is a matter of public need that the total remuneration of a doctor for all his services to all his patients taken together should be liberal. But the poor man, however vital the service rendered to him, cannot pay liberally—perhaps can hardly pay at all—not only because he is poor, but also because disease impoverishes ; he has most need of the doctor just at the time when, as he is thrown out of work by illness, he is unable to meet his other expenses. The appropriate ethical code, therefore, for the financial relationship between the doctor and his patients is the communist one —that he should give his services to them in proportion to their needs, and be remunerated by them in proportion to their ability.

The old solution of this problem was for the doctor to charge his rich patients as much as he considered fair, charge his poor patients what he hoped they were able to pay, and allow them to postpone payment indefinitely. In order that this should work tolerably it was necessary that individual doctors should have rich and poor patients in reasonably fair proportion. But doctors, since they are not ordinarily saints, but either in actual fact or in prospect married men with families, brought up in a competitive world under the influence of the prevailing competitive code of ethics, naturally tend to aim at securing as large as possible a proportion of wealthy patients and as small a proportion as possible of poor ones. When and where rich and poor live together in close proximity, and medical men are few and far between, a fair admixture of patients in a practice may be found ; but the economic and social trend from the middle of the nineteenth century has been towards the separate grouping of the population in " residential areas," " working-class districts " and slums. The conditions of medical work in poor working-class districts became all but impossible.

A partial, but only a very partial, remedy was found in the principle of the Club, as applied by purely medical clubs and by Friendly Societies, which is also the principle of the Provident Dispensary, the principle of providing for medical aid in time of sickness by regular weekly or monthly payments beginning in health. It preserved the self-respect of the patient, it gave the doctor a very small but certain remuneration, and it proved acceptable to general practitioners in poor districts as long as the Friendly Society membership was confined to men. The husband's club doctor was naturally called in when the wife was ill, and a fee could and would be paid for attending on the wife, since her illness would not throw the man out of work. But towards the end of the nineteenth century the Friendly Societies were busily forming women's branches and juvenile branches, and their club doctors found that the women members required on the average a good deal more than double the amount of attendance demanded by the men, and they became very dissatisfied. Further, as education advanced among the manual workers, Friendly Society branch committees began to feel themselves more competent to criticise the doctors, and to make attempts at supervision which were fiercely resented. By the end of the century what was called in the *British Medical Journal* " the Battle of the Clubs " was in full blast.

In 1911, therefore, Mr. Lloyd George's proposal of 4s. per annum to the doctor per panel patient stirred up a hornets' nest. He was called upon to exercise his wonderful talent for negotiating with organised groups of men to the utmost ; but at a critical moment he had to address a great meeting in the Whitfield Tabernacle, and was carried away by his other great talent, that of responding to the mood of an excited audience. He said things about the doctors with whom he was negotiating which stung and rankled ; and he had, in order to get the Act to work, to make all the larger concessions.

Unexpected difficulties also appeared on the side of the people to be insured. Since the worker's contribution of fourpence per week was to be supplemented by threepence from the employer and twopence from the Treasury the financial provisions were summarised for propaganda purposes as "Ninepence for fourpence." The workingman instinctively suspected a snag. Even if he were convinced that he would gain he disliked being coerced. The *Daily Mail* also carried on a stunt campaign against "licking stamps," which it represented as a peculiarly laborious, insanitary and undignified form of activity. The net result was that in order to put the Act into effective operation it was necessary to accept the help of the Industrial Insurance Companies—the Prudential, the Pearl, the Liverpool Victoria, etc.—which considered it good business to organise "approved societies" of a sort. As an example of the extent to which genuine democracy founded on the sentiment of mutual aid prevails among them, we may take the case of the Liverpool Victoria Approved Society, cited in the Report of the Royal Commission on National Health Insurance of 1924-6. It was said to have half a million members entitled to attend the Annual Meeting which in theory controls the administration. But the quorum of the annual meeting is only twelve, of whom eight may be paid officials. How many ordinary members out of the half million, beyond the four who must be brought in to make up the quorum, actually attend, how many out of those who attend are employees of the associated Insurance Company, are questions on which the Report is silent.

The Act of 1911 has been amended from time to time, the inevitable tendency being for its working to become more elaborate, more expensive, more bureaucratic, and let us hope, more effective. In 1913 the scale of pay for doctors in rural districts, where travelling expenses are high, was increased; in 1918 there were considerable alterations in the administrative provisions. In 1919

there was provision made for the inclusion of non-manual workers earning up to £250 per annum ; in 1920 the scale of contributions and benefits was increased to meet the change in the purchasing power of money ; in 1924 an amending and consolidating Act was passed. The weekly contribution for men has thus been increased to 4½d., for women to 4d., for employers to 4½d., making the total for men 9d., for women 8½d., while the State contribution is fixed at two-ninths of the expenditure. In normal years this is adequate to meet costs and build up reserves available for additional benefits. Thus, in 1925 the contributions of employers and employed amounted to £27,721,000, the Government grants to £8,073,000, the interest on accumulated funds to £5,645,000, the total of receipts being £41,439,000. Against this the total expenditure was £32,417,000, £27,501,000 being paid in benefits and £4,976,000 going in administrative expenses. Owing largely to the prolonged coal dispute and the general strike the figures for 1926 and 1927 are less favourable, but even in 1926 the receipts covered the expenditure.

Out of a population in England and Wales estimated for the middle of 1927 at 39,290,000 there were in that year 14,363,000 insured people, about two-thirds men and one-third women, enrolled as members of about a thousand approved societies or as post-office contributors. As the big societies have numerous branches the total number of administrative units to be dealt with is between seven and eight thousand. The number of panel doctors was 14,956, they had on the average 928 insured persons each, they wrote on the average nearly four prescriptions per insured person, and received as remuneration a total sum of £6,626,800, which comes to about £440 for each panel doctor, the rate being 9s. 6d. for each insured person. The working of the system is supervised by 145 Insurance Committees for Counties and County Boroughs for England and Wales, and 54 for Scotland. Sick pay

is now at the rate of 15s. per week for men, 12s. per week for women, for 26 weeks, reduced to 7s. 6d. per week if the sickness be prolonged after that period, when it is classed as Invalidity Benefit. Maternity benefit is £2 for an insured woman or the wife of an insured man, £4 to the insured wife of an insured man. Additional benefits are determined by what the approved society to which the insured person belongs can afford to pay.

The multiplicity of the seven to eight thousand separate societies or branches is the weak part of the scheme. The average membership being about two thousand, the majority perforce are much smaller. There seems to be a tendency for the smallest societies to die out while the membership of the largest increases; and also for societies which, like the National Deposit Friendly Society, are savings banks as well as friendly societies, to grow at the expense of the older type. This process is, however, so slow as to be barely perceptible, and meanwhile a society which recruits its membership among the worst paid, worst housed and worst fed classes can do relatively little for them compared with one recruited from well-paid artisans in steady work. Thus those insured persons who have the greatest difficulty in paying their contributions fail to get the additional benefits which come to those who are better off. The system, according to the Minority Report of the 1924-6 Commission, is one of "feeding the fat with the cream, and the lean with the skim milk."

All the societies are required to submit quinquennial valuations of their assets and liabilities, and by these their surpluses available for additional benefits are ascertained, and on the basis of this ascertainment the schemes for the additional benefits given by the society during the succeeding quinquennium are based. Dental benefit is the most important form of additional benefit. On this in 1927 about £2,750,000 was spent, about one million insured persons receiving dental treatment. Other

benefits provided include ophthalmic benefit, payments for treatment as in-patients in hospitals, for convalescent homes, and medical and surgical appliances. It necessarily happens, under the present arrangements, that the sharing of these benefits among the insured is very unequal. The Minority Report of the Royal Commission judged the approved societies to be uneconomical, and not in reality democratically controlled, and recommended that they should be dispensed with. This recommendation appears likely to be accepted ultimately. The demand for equal benefits in return for equal payments can only be met by a strengthening of bureaucratic control, and in proportion as the element of control by State officials increases that of control by the members must continue to dwindle.

In his exposition of the Insurance Act Mr. Lloyd George put first in the benefits promised to insured contributors the provision of sanatorium treatment for consumptives. This has been provided, not through the approved societies but through local health authorities. In 1911 tuberculosis was made notifiable, and it was announced that the Treasury would provide half the cost of anti-tuberculosis work carried out by the local authorities under schemes approved by the Local Government Board —since 1919 by the Ministry of Health. The financial inducement not being found universally effective, in 1921 it was made obligatory for the local authorities to make such schemes. On 1st April, 1928, in consequence, tuberculosis work was being carried on in 215 sanatoria and hospitals maintained by local authorities, with 14,599 beds, and by arrangement with the managers, in 118 voluntarily supported sanatoria and in 161 general hospitals. In addition there were 440 tuberculosis dispensaries. Deaths in England and Wales registered as due to tuberculosis were reduced from 53,120 in 1911 to 38,173 in 1927.

The passing of the Insurance Act necessarily raised

once again the problem of Venereal Disease. Militarism and sexual license are close allies, and venereal disease in increased prevalence follows in the wake of war. In 1802 Napoleon instituted for France a system of regulation of prostitution in the interest of military efficiency. In England the Crimean War and the Indian Mutiny caused the appointment of a Royal Commission in 1859 to enquire into the sanitary state of the army in India. This resulted, in spite of the strong opposition of Sir John Simon, in the passing of the " Contagious Diseases Prevention Act (Women) " of 1864, followed by Acts similar in principle in 1866 and 1869. These were applied at first only to fourteen naval and military stations, but it was intended by degrees to extend their operation over the whole country. They provided for registration and police supervision of prostitutes, their periodical medical inspection, and compulsory detention, if found infected, in special hospitals.

Not until the 1869 Act was passed was there any general understanding of what had been and was to be done. Then a resolution of protest was carried in the meeting of the Social Science Conference by a large majority, and associations were formed for repeal. A manifesto was published in the *Daily News* on the last day of the year protesting on the grounds that the Acts put the reputation, freedom and persons of women absolutely in the power of the police, that it was unjust to punish one sex and leave the other unpunished, that the punishments under them were cruel and brutalising, that they encouraged vice in young men, and that experience indicated that instead of being of any value as a preventive of disease they only made it more prevalent. Mrs. Josephine Butler was the great inspirer of the movement, which gained continually wider support but no definite success, until, in 1883, Mr. Stansfeld's motion " That this House disapproves of the compulsory examination of women under the Contagious Diseases Acts " was passed by 182 votes to 110. This

caused the Acts to cease to be operative, as no budgetary provision was made for the expenses, and in 1886 they themselves were repealed. During the period of their enforcement they had produced no reduction in the incidence of venereal disease in the army.

The result of the defeat of this ill-designed attempt to deal with a great social curse on lines repugnant to the national sense of decency, humanity and fair dealing, was that syphilis and gonorrhoea were allowed for thirty years to ravage the country without any serious attempt at control. Contemporary religious opinion acquiesced in this state of things, arguing that men and women became infected by their own fault, and rightly paid the penalty, ignoring the fact that innocent persons, including hosts of newly-born infants, suffered even more than the guilty. The latter might quickly seek treatment from a private doctor, or from one of the numerous quacks specialising in these diseases ; the wife of a working man infected by her husband might drag on for years in misery, handing on the curse to children and grandchildren.

At last in 1913 a Royal Commission was appointed to consider what action on other lines could be taken by the State. Its report was to the effect that reliance must be placed on moral and educational influences rather than on attempts at coercion, with their inevitable concomitants of evasion, police corruption and blackmail, and that the first and obvious thing to do was to provide free treatment by competent doctors for all sufferers, whether innocent or guilty. As a consequence the Act of 1917 was passed, under the influence of the war emergency. It prohibits treatment by practitioners not on the medical register, imposes the duty of maintaining clinics on local health authorities and provides for the payment by the Treasury of three-quarters of the cost. At the close of 1927 there were under this law 186 treatment centres in England and Wales. The number of new cases treated was 105,185 in 1920 ; it fell to under

74,000 in the three years 1922, 1923 and 1924, but rose again to 88,136 in 1927. But there is reason to believe that the rise is due, not to an increase in the number of people infected but in the proportion of those that seek a cure. Sir George Newman expresses the opinion that syphilis, at least, is now far less prevalent than before the war. But the number of men, women and children who annually become newly infected in England and Wales can hardly be much less than 200,000, the number of children now annually born being about 660,000. Steady perseverance along existing lines of effort is necessary—and hopeful.

A third great new field of work is that carried on under the Maternity and Child Welfare Act of 1921. Half the costs incurred under this Act by local authorities is refunded by the Treasury. On the first of April 1928 there were 2,431 Infant Welfare centres, and 4,041 Health Visitors. The variety of the work carried on defies summary in the space here available. The reduction of infant mortality testifies to its efficiency; but recently special attention has been drawn to the fact that there has been hitherto very little reduction in the mortality of women in childbirth. In 1927 there were 2,690 maternal deaths—one to 244 births.

Since the progress which has recently been achieved in these three departments of the national defence against disease and death has been the result of the policy of Central Grants in a defined proportion to the costs incurred, it is impossible to view without great apprehension the replacement of these grants by "Block Grants" under the Local Government Act, 1929, which appears to be designed to reduce local rates, and to stimulate local demands for reduction of rates. The Minister of Health (Mr. Neville Chamberlain), in defending the change, said that he proposed to rely on his powers of coercion to maintain progress, but in supposing that this would be as effective as the gentle persuasion of the

sharing of the cost of the services he ignored the experience of the previous century.

In other respects, however, the Act provides for an extension of the activities of County Councils for the preservation of health ; section 63, for example, requires them to make surveys of the existing hospital accommodation for infectious diseases other than tubercular and venereal, and schemes for making it adequate ; and section 58 requires that future appointments of district medical officers shall stipulate for whole time service.

Last—and perhaps most important—of the new developments springing from the Insurance Act is the Medical Research Council.

CHAPTER X

THE CARE OF THE AGED

Of all the moral differences between man and the "lower animals" the most complete, perhaps, is the care of the aged. Among animals it does not appear to exist; among practically all existing races of men it ranks as a social duty equally with the care of the young. In Europe, and among our own forefathers, the spread of Christianity does not appear to have made any change in ancient customs and standards in this respect, though subsequently Christian missionaries have failed to appreciate the methods adopted by those among whom they worked, failing, for example, to understand the theory of rejuvenation of the aged by their incorporation in the bodies of their descendants believed in by certain folk denominated cannibals.

But though the care of the aged has always been recognised as a social duty, it is only in comparatively modern times that it has become a social problem. Under an economic system of peasant agriculture and handicraft industry, with a high development of family solidarity, and a very low development of medical science, such as prevailed in Britain in the Middle Ages, the period intervening between the loss of effective working power and actual death is relatively small, and property is both widely diffused, and mainly controlled by the oldest men of each family. In the Middle Ages, therefore, the numbers of the impotent aged needing assistance from outside their own families must have been very small;

and within the family neglect of the aged was probably rarer than undue sacrifice of the sentiments, liberties and interests of the young to the old people's whims and crotchets. It was the advent of Capitalism, the emergence of that factor of production which Adam Smith called " Division of Labour," but which we call " Organisation of Industry," into a dominating position in our economic life which made the care of the aged a national concern. The majority of the manual workers ceased to own the inanimate means of production, the proletariate multiplied, enforced mobility of labour undermined family solidarity, while doctors practised more and more successfully the art of prolonging indefinitely the process of dying. The burden of the aged, therefore, increased just at the time when the power and willingness of individual families of manual workers to support their aged was diminishing.

As industry in its further progress passes out of the competitive stage into that of organised public service, industries themselves tend to take up the task, by means of schemes of superannuation and pension, a principle first applied to the services under purely national or municipal control, like the navy, army and police ; later to those under mixed control, like the railways ; and, later still, to many businesses under purely private control, whether this take the form of individual ownership, ordinary limited liability company, or gigantic trust. The conditions under which such schemes are profitable to the State or proprietors concerned are sufficiently obvious. The pension is deferred pay—but pay for something over and above the services which could be obtained otherwise—for the extra care and zeal which comes from the employee knowing that he has a stake in the permanence of the business, his increased desire to retain his position, and the relative freedom from anxiety which adds to his efficiency. The pension further facilitates the discharge of employees who through old age have ceased to

earn their pay. The importance of these advantages depends on the extent to which loyalty, assiduity and reliability in the staff are needed, as against mere output capable of being measured quantitatively; but, in order to make the conditions attractive to the employee, he must have a reasonable degree of confidence in the permanence of the business; and the employer, on his side, needs to see a prospect of being able to recruit a permanent staff.

In private business these conditions are not fulfilled unless there is some element of monopolistic advantage such, for example, as exceptional prestige or magnitude enjoyed by the firm concerned. Competitive businesses of small or medium size cannot embark on pension schemes for all their employees, though they may often profitably offer special rewards for long service which in some cases might take the form of an annuity. Co-operative societies on the Rochdale plan could work pension schemes jointly, and proposals to this effect were much debated at the end of the last century, but their advocates failed to overcome the opposition arising from the selfishness and ignorance of the members, who declared that many of them were poorer than the employees, and more in need of pensions in their old age. They could understand the cost but not the profit arising from a superannuation scheme. They, therefore, demanded that the proposed schemes should be modified to include all the members, and this in effect killed the schemes; though some societies now offer something in the nature of an old age gratuity to loyal employees of long standing. On the other hand the system of "dividend on purchase" provides for all members and employees facilities for saving and making individual provision for old age.

Mutual provision for old age is an essential part of the functions of the friendly societies which became numerous and socially important in the eighteenth century.

" The poor man has his club . . .
a monthly dole he pays
To be assisted when his health decays ;
Some part, his prudence, from the day's supply,
For cares and troubles in his age, lays by." [1]

As this quotation implies, provision for old age was not at first differentiated from provision for sickness. It was only towards the end of the nineteenth century that the societies found themselves obliged to rule that sickness benefit should be terminated at the age of sixty-five, and then be replaced by an old age pension. Trade Unions of the type represented by the Amalgamated Society of Engineers of 1851, which give extended benefits, including a Superannuation Benefit, in return for relatively large weekly contributions, similarly found this an increasing burden on their funds.

It was the gallant, but practically hopeless struggle of these working-class organisations to provide so adequately for their aged members as to make it unnecessary for them to resort to poor relief that ultimately induced State action. Mr. Lloyd George, in introducing the Insurance Bill in the House of Commons in 1911,[2] said that on information supplied by the Friendly Societies he calculated the number of lapses of membership, through inability to keep up the contributions, at 250,000 per annum. Perhaps in some cases it was these lapses, which absolved the societies from giving the benefits for which the lapsed members had been paying, that enabled them to keep their contracts with members whose contributions did not lapse, during those periods when they had heavy actuarial deficiencies. Actuarial deficiencies were the rule right up to the end of the nineteenth century, and many small societies ended in bankruptcy.

Up to 1908 public provision for the " veterans of industry " took the form of poor relief. Under the Old Poor Law parish overseers usually allowed a weekly dole

[1] Crabbe, *The Village* (1783). [2] *The People's Insurance* (1911), p

of one or two shillings per week to old men and women incapacitated from work and belonging to families unable to maintain them without such assistance, those only who were solitary as well as destitute being admitted to the poorhouse. The Report of the Poor Law Commissioners was too exclusively concerned with the able-bodied pauper to have much to say about the aged, but it expressed the opinion that "the aged might enjoy their indulgences." Boards of Guardians, under the Act of 1834, naturally adhered to the old practice, which appeared to them to represent the maximum of humanity consistent with minimum cost. The Poor Law Board itself, up to nearly the end of its career under that name, only interfered to the extent of recommending that the aged should not be required to walk excessive distances to get their doles, but that as far as possible relieving officers should take the sums allotted to their homes, visiting them at least once a week.

But about the year 1869, the year of the formation of the Charity Organisation Society, a new spirit began to animate the office of the Board and its Inspectorate. The period between the second Reform Act of 1867 and the third Reform Act of 1885 has been termed with reason "the reign of the Middle Classes." It was a period during which "the Nonconformist Conscience" exercised greater political influence than at any period since the débâcle of Puritanism at the Restoration. An additional pseudo-scientific sanction was given to the crude individualistic ethics of the Dissenting Chapel by the use of the phrases "Struggle for Existence" and "Survival of the Fittest" which were caught up from the "Origin of Species" and the early converts to Darwinism. Socialistic protests to the effect that in order that the fittest may win in a competitive race it is necessary that the competitors should start level, and that social handicapping existed in Britain in an extreme form, had not then made themselves audible.

As Mrs. Sidney Webb tells us :

" the belief—it may almost be called an obsession—that the mass misery of great cities arose mainly, if not entirely, from spasmodic, indiscriminate and unconditional doles, whether in the form of alms or in that of Poor Relief, was, in the sixties and seventies, the common opinion of such enlightened members of the governing class as were interested in the problem of poverty. . . . To the pioneer of the new philanthropy, ' to give to everyone who asketh of thee ' was a mean and cruel form of self-indulgence. . . . ' What educationalists have to do,' thunders an early exponent of the new doctrine, ' is to instruct (if they can be taught) the large dole-giving community, and to get them punished, as did our ancestors some centuries ago ; but above all to purge the nation of the hypocrisy which sends the mendicant to prison, while for the great central vice of dole-giving it has only mild reproofs, or even gentle commendation. If you will bring about the punishment of this low vice ; if you will somehow contrive to handcuff the indiscriminate almsgiver, I will promise you, for reasons which I could assign, these inevitable consequences :—no destitution, little poverty, lessened poor rates, prisons emptier, fewer ginshops, less crowded madhouses, sure signs of under-population, and an England worth living in.' " [1]

The practical application of these doctrines as inferred by the central Poor Law authority (the Local Government Board after 1871) in the matter of the treatment of the aged poor, was that they too must be brought within the scope of the doctrine of " less eligibility " originally intended to apply only to those applicants for assistance who were physically able to earn a living ; the weekly pittance must be stopped, and " the house " must be offered instead, the House itself continuing to be made as repellent as possible, both by the drab monotony of its tedium and its unvarying diet, and by the social stigma

[1] *My Apprenticeship* (1926), p. 200.

attached by this form of imprisonment to the relatives of its inmates as well as to the victims themselves. With the help of such a stimulus, it was argued, families would develop greater affection, sons and daughters, nephews and nieces, and grandchildren would work harder and save the beer money to keep the old grandparents at home, happiness and virtue would increase, while the poor rates would fall. If some old-fashioned Guardian expressed a fear that the children would go short of food or of boots where a scanty wage had to be further stretched to maintain the old folk, the answer was ready—if people persisted in committing the unpardonable sin of impoverishing the community by intensifying over-population, and in procreating children for whom they were unable to provide adequately, they and their children must undergo the Divinely (or by Nature) ordained penalty of non-survival.

Changes came in the eighties. H. M. Hyndman began to preach Marxian Socialism in 1882, and founded the Social Democratic Federation ; William Morris shortly afterwards founded the Socialist League, while cheap editions of Henry George's *Progress and Poverty* spread the doctrine that persistent poverty beside increasing wealth was the result not of Divine law but of human injustice. In 1884 the Fabian Society began its work of putting Socialist theory on a sounder basis than Marxian economics, and applying it to British conditions.[1] In 1885 the franchise was extended and working men became a majority in the electorate. A class-conscious proletariate, much talked about, began to be a possibility. The great London Dock Strike of 1889 initiated a movement towards trade union organisation of unskilled labourers, which also affected women workers in factories.

[1] Between 1890 and 1894 Fabian tracts on *Poor Law Reform* by Sidney Webb and Frederick Whelen, and on the *Humanising of the Poor Law*, by J. F. Oakeshott, were published by the Society. Mr. J. Theodore Dodd, of Oxford, was untiring in the same cause.

Women also appeared as candidates for Boards of Guardians, and in 1894 the conditions of election to these Boards was democratised.

The first sign of the effect of these changes on the care of the aged poor was a circular from the local Government Board under the presidency of Mr. Arthur (now Lord) Balfour, in 1885, reminding Guardians of the fact which they had previously been encouraged to ignore, that married couples aged over sixty had a statutory right to their own bedrooms, and that this arrangement was permitted at the discretion of the Board if either husband or wife were over sixty. In 1891, under Mr. C. T. Ritchie, the L.G.B. sanctioned the provision in the workhouse of newspapers and books for the aged, and of toys for the children ; in 1892 Liverpool succeeded in wresting from the central authority permission to give old men a weekly screw of tobacco, and this victory was followed before long by a series of orders which permitted the issue of tobacco, snuff, tea, coffee and cocoa to all the aged. At last, in 1900, the women Guardians up and down the country triumphed in their long fight with the L.G.B. in the Great Bread Question. Till then the Board had insisted on each aged inmate receiving a prescribed daily ration, which had to be weighed out to them with meticulous care. While a few of them would have liked a little more the majority had much more than they could eat, and the surplus was thrown away. In one instance, perhaps in several, a woman Guardian succeeded in getting her Board to have puddings made of the waste bread, but this defiance of their sacred dietary rules came to the ears of the L.G.B. and the revolt was quickly suppressed. More generally the women's demand was simply that permission should be given to have the bread cut into slices, and the inmates allowed to help themselves and to take as much or as little as they wanted ; and this was the concession made in 1900, Mr. Henry Chaplin, the owner of the celebrated racehorse Hermit, being

President of the L.G.B. The total consumption was thereby greatly reduced.

Meanwhile the question was being asked by more and more people, "Why unnecessarily immure the aged in workhouses at all?" And, indeed, as soon as it was admitted that the conditions within the workhouse should be made moderately comfortable, the case for refusing out-relief and offering the house was given away, for this practice ceased to be an effective means of inflicting vicarious punishment on poor families for having aged relatives and failing to maintain them without public assistance. With this view Henry Chaplin strongly sympathised. In 1896 he issued a circular urging on Guardians that they should use greater discrimination in offering the House, and recommending that out-relief should be granted to the respectable aged poor. In 1900 he went further, declaring that the proper policy was systematic *and adequate* out-relief to the destitute and deserving aged, and that they should be never urged to enter the workhouse unless so compelled by disease or lack of home care.

The practical effect of these changes in the official policy of the central authority was in each case limited. In the seventies out-relief was minimised in most London Unions, but this was because the rules under which the Metropolitan Poor Fund worked practically bribed Guardians to adopt that policy, as they could throw the cost of in-door relief on the whole of London, but that of out-relief fell on the ratepayers of the particular union. Outside London only a very few places, Birmingham being the most important and conspicuous example, followed suit in cutting down out-relief to the minimum. Similarly, when in 1900 the officially recommended policy was reversed, little change resulted. The Inspectors of the L.G.B. had no more respect for the opinions of their President than professionals ordinarily have for those of amateurs. They still cherished the doctrines of the

sixties. If any particular Board of Guardians decided to act in the spirit of Chaplin's circulars—Bradford for example gave five shillings per week to each aged poor person—they could not prevent it, but they carefully abstained from encouraging such a heresy.

Contemporaneously with the movement for humanising the treatment of the aged receiving public assistance under the Poor Law, the movement for providing such assistance without inflicting on the aged any stigma of pauperism gathered strength in the eighties. Proposals for achieving such a result had been put forward in the eighteenth century, notably by Tom Paine in 1795 ; and in the early nineteenth century by Sturges Bourne in 1817, and by Lord Lansdowne in 1837 ; these proposals generally taking the form of the subsidising of Friendly Societies, to enable them to extend their membership and give a real security to members for the realisation of the promised benefits. After this little was heard of any such proposal until Canon Blackley initiated a vigorous agitation for national insurance against sickness and old age, which led to the appointment of a Select Committee on National Provident Insurance in 1885. Canon Blackley held that as most friendly societies showed actuarial deficiencies [1] they must be regarded as practically insolvent, and that it was desirable to supersede them by a State department. He recommended universal compulsory insurance, and that all should pay premiums in youth to the amount of ten pounds, in return for which they should be entitled to eight shillings a week sick pay, and an old age pension of four shillings per week after the age of seventy. There was much to commend this proposal, and many reasons for regretting that it was rejected. It met with uncompromising hostility from the Friendly

[1] The M.U.O.F. in 1884 at its Annual Grand Committee Meeting in Reading received the report of its third valuation, showing a net deficiency on all the lodges of £627,820. The fourth valuation reported at Hull in 1889 showed a net deficiency of £764,821. The M.U.O.F. had taken much greater pains than most Orders to become financially sound.

Societies on the one hand, stirred to wrath by Canon Blackley's strictures on their financial condition, and on the other from the Charity Organisation Society, which still was regarded officially as the expert body best able to advise in all questions relating to poverty. The Friendly Society view was typically expressed by the Dover Grand Committee of the M.U.O.F. in 1887, which declared that the scheme was "detrimental to Friendly Societies, impractical, unsound financially, and unjust in that it involved the principle of compulsion."

In holding that it was detrimental to them the Societies probably made a mistake. The youth who, under compulsion, has saved up £10 during those flush years that intervene between first getting a man's wage and marrying, would find it easier afterwards, rather than more difficult, to make the effort of will to pay monthly contributions to a friendly society; and eight shillings a week during sickness and four shillings a week during old age are allowances which cry out for supplement. That the scheme was impractical has been disproved by the experience of National Health Insurance since 1911. That it was unsound financially was probably true in the sense that the premiums would in course of time have proved insufficient to meet the cost of the benefits, and the national revenue would have had to be called upon to meet the deficit; but actually, at the time when such an emergency would be due, the State was bearing a heavier burden than would have been necessary under this scheme. As to the complaint of the injustice of compulsion, effective enough at the time, we have since got so accustomed to suffering compulsion for our own good that we have almost got to like it, provided it is sufficiently impartial and appears to have beneficial results.

In 1892 Joseph Chamberlain proposed a scheme which, instead of ignoring the Friendly Societies, proposed to utilise and subsidise them, the previous experience making it clear that no proposal for national old age

pensions could be carried if they opposed it. This was referred to the Royal Commission on the Aged Poor of 1893, of which Lord Aberdare was Chairman, but the majority report, issued in 1894, was against all State action in the matter.[1]

The turning point in the long struggle came that year. Charles Booth, in the midst of his researches into poverty, which for the first time in Britain brought scientific method to bear upon the elucidation of social problems, came to the conclusion that the most useful measure immediately practicable for mitigating the evils of poverty was to provide universal free pensions of five shillings per week for all attaining the age of sixty-five. He estimated the cost for the United Kingdom at £24,000,000 a year. Naturally, he pointed out that this was only a redistribution of the burden of maintaining the aged in such a way as to cause it to be borne more easily. If the cost were more than the Treasury could be persuaded to meet at first, the qualifying age might be advanced initially to seventy, and then lowered as occasion offered.

Though a Committee of " experts," with Lord Rothschild as Chairman, appointed by Lord Salisbury, reported in 1896 that nothing of the sort could be done, the attractiveness of Charles Booth's proposal, backed by the weight of his authority, was apparent to politicians. Next year a Committee of the House of Commons " to Consider the Condition of the Aged Poor " reported in favour of gratuitous pensions at sixty-five to the poor and deserving, the poor being those with no incomes over ten shillings per week, the deserving those of proved industry and providence, never convicted of crime, nor during the previous twenty years in receipt of poor relief. A departmental committee was then appointed to calculate the cost, which estimated it, for five shillings a week pensions, at £10,300,000 in 1901, rising gradually to £15,650,000 in 1921.

[1] Cd. 7684 (1904).

The nation then had other matters to attend to—the Transvaal goldfields, the cry for succour of the Uitlanders on the Rand, the Boer War. Joseph Chamberlain the Radical became Joseph Chamberlain the Imperialist, wearer of the mantle of Lord Beaconsfield ; for the sake of Tariff Reform he let Old Age Pensions slip into the hands of the Liberals who were victorious at the next General Election. Mr. Asquith (Lord Oxford), as Chancellor of the Exchequer in the Campbell-Bannerman ministry, made the necessary financial provision in 1908, and Old Age Pensions became payable from January 1st, 1909.

The amount was five shillings a week, the qualifying age seventy instead of sixty-five. On the other hand the conditions suggested in 1897 were somewhat relaxed, the disqualifying income being fixed at £31 10s. per annum instead of £26. At first receipt of poor relief was a much criticised disqualification, but this was removed in 1911, only criminals, lunatics, and habitual drunkards and idlers being disqualified. In 1911 there were in England and Wales 613,873 persons in receipt of the pension, and the cost was £6,248,000.

While the matter was still at issue in the United Kingdom, contributory old age pensions had been provided in Germany, and elsewhere in Europe ; but the boldest scheme was that carried by Seddon in New Zealand in 1898. It provided pensions at the rate of seven shillings a week to residents of twenty-five years' standing from the age of sixty-five, aliens, aborigines, Chinese and other Asiatics being excluded. In a new country the numbers qualifying were necessarily small. On the other hand in Ireland, with a population greatly depleted by emigration, the numbers qualifying in 1909 were found unexpectedly large. Exact evidence of date of birth in the pre-famine years was not always available, and in so friendly a country neighbours were always glad to put in helpful testimony on behalf of applicants ; the pecuniary benefit

to Ireland of the 1908 Act was great accordingly. By 1925 non-contributory old age pension schemes existed in Australia, Denmark, France, the Irish Free State, New Zealand, Norway, Uruguay, and some of the United States; contributory schemes in Rumania, Spain, Switzerland, Italy, Holland, Belgium, Jugo-Slavia and Czecho-Slovakia.

In Great Britain the Act of 1908, as amended in 1911, was further amended in 1919 and 1924. In order to meet the fall in the purchasing power of money the amount of the pension was raised from five to ten shillings a week, provided the recipient's other income did not amount to more than ten shillings a week. If it did, the pension was the amount necessary to bring the total income up to a pound a week. But in calculating the amount of other income it was provided that income from investments ("unearned income") up to the amount of £39 per annum (fifteen shillings a week) should not be counted. It is notable that it was a Labour Government which thus granted a special privilege to the recipient of an income drawn from capital over the recipient of the same amount earned by labour. The explanation of this seeming paradox is no doubt the fact that Trade Unionists—and indeed nearly the whole of the population—are still obsessed by the "fallacy of the constant work-fund"; they imagine that if *A* does something useful he is taking away a job from *B*, and ignore the fact that the remuneration of labour, and the effective demand for labour, necessarily comes from the produce of labour. In this fallacy there is just that minimum modicum of truth required to make it impossible to dispel it.

In 1920 the Blind Act provided that all blind persons over fifty years of age should have the same privileges as those over seventy, the test of blindness being such failure of eyesight as rules out work for which it is required. By the same Act local authorities are authorised to give other assistance to the blind, with the help of central grants.

The last Conservative Government added its contribution to the flow of money. The Widows', Orphans' and Old Age Contributory Pensions Act of 1925 enables insured persons to receive the ten shillings pension at the age of sixty-five, provided they have made 104 payments since their last entry into insurance, or 117 contributions in the previous three years. Wives of insured men and insured women under this Act began on 1st January, 1926, to get the ten shillings pension irrespective of age on being widowed, together with five shillings a week for the first child, and three shillings a week for other children under fourteen, or still attending school and under sixteen. Old age pensions under this Act began to be paid on 1st January, 1929.

The question whether the State should not carry on its care for the sick and the aged still further, till they are in the grave, by nationalising insurance for funeral expenses, was referred to a departmental committee presided over by Lord Parmoor which reported in 1920. It was found that the expenditure of the working classes for this purpose, mainly through " Industrial Assurance Companies," had increased fourfold since Mr. Lloyd George in 1911 decided that at the time such insurance could be left to private enterprise and voluntary effort, and that the administrative expenses under the existing system took 44 per cent. of the receipts from contributors ; and it was estimated that under a State system of universal compulsory insurance those expenses would be reduced to 2 per cent. It was resolved, however, to interfere as little as possible with the Insurance Companies, the biggest of which make princely profits. The Legislature, therefore, contented itself with demanding fuller security for the payment of the sums assured, in the form of deposits of £20,000 from each Company or collecting society, and with making the Chief Registrar of Friendly Societies also an " Industrial Insurance Commissioner," charged with the duty of receiving reports from all offices doing

this sort of work. Under his guidance the Companies have since improved the organisation of their businesses, and have reduced the percentage of administrative costs, the average sum brought in by each collector being increased, and their numbers in proportion to the volume of business done being reduced. Among the masses of our people the demand for due honour after death appears to be as strong as in the days of Tutankhamen, but the nationalisation of the business of satisfying this demand, though perhaps a desirable reform, does not seem to be urgent.

Meanwhile the cost to the State of its care of the aged grows automatically as well as by each change in the law. In 1921 the number of pensioners in England and Wales was 734,295 ; in 1925, 900,536, the cost increasing from £18,279,000 to £22,156,000. Assuming no further change in the law it is estimated that the costs in 1965-6 will be for Great Britain :

Old age pensions at 70 - -	£64,400,000
Old age pensions, 65-70 - -	21,500,000
Widows' and orphans' pensions -	38,800,000
Total - - -	£124,700,000

The reasons for the automatic increases in the cost are as follows :

(1) The number of people annually reaching the ages of sixty-five or seventy in any year depends partly on the number of births sixty-five or seventy years previously. For England and Wales we have the statistics shown in the table on p. 232.

The annual number of births increased very steadily from 1855 to 1876 (887,968) at an average rate of very nearly 12,000 per annum. From 1876 to 1913 they oscillated, averaging about 900,000, and reaching a pre-war maximum of 948,271 in 1903. During the war they fell to 662,661 in 1918, but even this low record was surpassed in 1927 and 1928, and again in 1929.

(2) The number of people annually reaching pensionable ages in any year also depends on the mortality of the period since the date of birth. As the death rate since 1860 has been much reduced, this also tends to increase the annual number of new entrants into pensionable age.

Year.	Births.	If surviving :	
		Reaching sixty-five in	Reaching seventy in
1855 - - -	635,123	1920	1925
1860 - - -	684,048	1925	1930
1865 - - -	748,069	1930	1935
1870 - - -	792,787	1935	1940
1875 - - -	850,607	1940	1945
1880 - - -	881,643	1945	1950
1885 - - -	894,270	1950	1955
1890 - - -	869,937	1955	1960
1895 - - -	922,291	1960	1965
1900 - - -	927,062	1965	1970
1903 - - -	948,271	1968	1973

(3) The number of people entitled to pensions is the product of the number of new entrants into pensionable age multiplied by their subsequent average duration of life. The science and art of prolonging existence, especially perhaps mere existence for the aged, weak and ailing, even though the objects of this art may be longing for a termination of their sufferings, has made in recent years magnificent advances. Hitherto these medical triumphs have been won over the less painful diseases, cancer remaining unsubdued, killing, for example, 54,078 persons in 1927, one in nine of all who died. Cancer, however, may yield up its secret in due time. If so the above estimate of the cost of old age pensions may be greatly exceeded.

The veterans of industry, therefore, are drawing through the Treasury, the tax collectors and the machinery for distribution of pensions, larger and larger sums annually out of the total National Dividend. Side by side with

this there appears to be a parallel increase in the sums drawn annually by the aged of the propertied class out of that same total fund. The modern craving in this class, as Galsworthy points out in *The Forsyte Saga*, is for secure rather than for adventurous investment, and for investment in forms throwing the minimum of responsibility upon the proprietor, and demanding from him the minimum of mental or other effort. The gratification of this craving has been facilitated, first by the growth of limited liability companies, then by their increase in scale, allowing for bonds, debentures and preference shares to bulk more largely in their capitalisation and to take more and more of the sums available for distribution ; and, finally, by the enormous increase of governmental debts, *i.e.* of " gilt-edged securities." Among the 400,000 persons estimated by Sir Josiah Stamp to own two-thirds of the property of the United Kingdom, the aged are doubtless much more largely represented than in the whole population ; still more, no doubt, this is the case among that select body of 36,000 persons, one in a thousand of the population, who, he estimates, own a third of the whole.

There can be little doubt, therefore, that the average income per head of those over sixty-five is growing faster than that of the rest of the population, though this is not so easily demonstrable as the fact that their numbers are growing faster. With regard to their numbers during the present century we find, for England and Wales :

	1901.[1]	1911.[1]	1921.[1]	1928.[2]
Ages 0-15 - -	10,545,739	11,050,867	10,523,455	9,870,265
Increase + or decrease –	—	+505,128	−527,412	−653,190
Ages 65 and upwards - -	1,517,753	1,977,516	2,311,105	2,688,680
Increase + -	—	+469,763	+333,489	+377,575

[1] Census figures.

[2] Estimate for the middle of the year of the Chief Medical Officer of the Ministry of Health.

We have, therefore, in twenty-seven years a net decrease of 675,474 in the young, a net increase of 1,170,927 in the aged. Assuming that it is those between the ages of twenty and sixty-five who by their labours support the old and the young, the new entrants into this class are diminishing. For the period 1923-1928 they were the survivors of children born at the rate of 930,000 per annum ; for the period 1947-1949 they will be the survivors of children born at the rate of only 653,000 per annum. We are, therefore, within sight of the period when the numbers of the men and women of what is here assumed to be the active age will begin to diminish, even supposing there is no net emigration.

We have then to consider whether there is any change in the duration of active life. Different people are by no means equally old, for practical purposes, at sixty-five, nor is the average degree of decrepitude at that age the same in different times. Looking only at the achievements of conspicuous persons, as recorded in the press, one is tempted to say that the period of active life is now prolonged to a much more advanced age than before the war. We hear continually of aged persons who fly, of grandmothers who dance all night, of veterans who shame the young by their exploits at cricket, tennis and golf. But the achievements in sport of the men and women of the leisured classes are no clue to the useful labours of the masses of the population. With regard to these the case is more doubtful.

On the one hand children are better fed and better cared for in every way than in earlier times ; knowledge of hygiene is increasing ; the panel system and National Health Insurance facilitate the treatment of slight ailments which might, if neglected, develop into serious illness, sanitary conditions in factories and workshops, streets and homes are more effectively controlled ; hours of labour are shortened ; abuse of alcohol is diminishing. All these changes tend to prolong the period of vigour.

On the other hand the proportion of workers engaged in those rural outdoor occupations most favourable to a prolonged working life is getting smaller ; the speed and pressure of urban life is being intensified ; and the great highly organised industries demand (largely under trade union pressure) standardised workers ; those unequal to a certain stress and strain must go. In the professions superannuation prevails more widely. These changes tend to shorten the period of labour service. Which way the balance will incline, so far as the proportion of paid workers is concerned, time alone will show.

As the combined result of these tendencies, we may with confidence look forward to proportionally larger and larger numbers of men who have retired from the occupations by which they have been earning wages, salaries, commissions, fees and trading profits, and still more of women who have similarly so retired, or who have been freed from their responsibilities as mothers of young children by lapse of years, and who are still (both men and women) capable of much useful work, in many cases also of zest in such work. The energies of the superannuated are, therefore, a great and increasing potential asset in the social life of the nation.

CHAPTER XI

OVERCROWDING AND SLUMS

THAT under present conditions poverty among wage-earners tends to compel them to live in the cheapest and meanest habitations available, and hence to be overcrowded in few rooms ; that overcrowding generates bad health, drunkenness and sexual immorality, which in return intensify poverty ; that all these evils are aggravated by the shiftlessness, ignorance, hopelessness and lack of energy which are sometimes the original cause, and sometimes the consequence of poverty—all these statements are commonplaces of social experience. To break through these vicious circles is the " Problem of the Slums."

To what extent the crowding of manual workers together in insanitary dwellings prevailed in ancient times, or in the England of the Middle Ages, is an unsolved question. Judging by the analogy of such primitive dwellings inhabited by very poor people as I have myself visited, I should doubt if in rural districts there was much injury to health thereby. The huts of the untouchable castes of the Madras Presidency, fashioned out of sticks and palm leaves, and the cabins of last century of the poorest peasants of County Kerry, equally providing nothing but shelter and a resting place on the bare ground, appeared to be no hindrance to rude health. The surviving cob cottages of Devonshire, with their thatched roofs, may represent the prevailing fashion of building there before the sixteenth century, and they have

very considerable merits, as residences warm in winter and cool in summer.

The first definite interference of the State with the dwellings of the working classes in England was the Statute 31 Elizabeth c. 7 (1589), commonly known as the Cottages Act. It dealt with an evil described by William Forrest in "The Pleasaunt Poesye of Princelie Practise," in the following terms :

"Another disorder of oppression
aduerte this wone wiche is muche odyous.
A lord geauyn to private affection
lettinge the pooareman an olde rotten howse,
which hathe (to the same) profyttes commodious,
its Cloase, and Common, with Lande in the feelde.
But noate well heere howe the pooareman is peelde.

"The howse shall hee haue and A gardeyne plott,
but stonde he must to the reperation :
Close, Comon or Londe fallithe none to his lott ;
that beste might helpe to his sustentation.
The whoale Rente payethe hee for his habitation,
as though hee dyd thappertenauncis possesse.
Such soare oppression neadethe speadye redresse."

The Cottages Act accordingly prohibited the letting of cottages to agricultural labourers with less than four acres of land attached, under a penalty of forty shillings per cottage per month, and the occupation of one cottage by more than one family, under a penalty of ten shillings per cottage per month. It also stipulated for somewhat smaller allotments of land to be attached to cottages occupied by rural craftsmen and fishermen. This Act was modified by the Elizabethan Poor Law (43rd Elizabeth), which sanctioned the building of cottages, without land attached, by the overseers of parishes for the impotent poor, to whom naturally four acres of land would be of little use.

With the breakdown of the Elizabethan system of central control of local authorities by the Privy Council

the administration of these Acts was left to the lords of manors and other local gentlemen who ruled the counties as Justices of the Peace, and their underlings the parish officers. In their hands the Cottages Act was used not as a means for providing labourers with gardens or allotments of land, but as a means of preventing them from having cottages at all, so that labourers, in order to get shelter of a sort, had to pray first to the lord of the manor for permission to put up hovels on the waste, and then to petition Quarter Sessions for pardon for occupying them.[1] Presumably Queen Elizabeth's advisers would have regarded this also as a " disorder of oppression " needing " speadye redresse." The beginning of the humanisation of government in the later part of the eighteenth century was marked by the repeal of the Elizabethan Act in 1775. The legislative barrier to the building in " open " parishes of small, cheap, damp cottages by small speculative builders, for the labourers who cultivated these and also the neighbouring " close " parishes, was thus removed, and the high ratio of rents to wages ensured that the cottages should be ordinarily overcrowded with lodgers to the utmost. In the beginning of the nineteenth century, however, certain public spirited landowners set the example of building superior cottages for the labourers on their estates, and the example gradually spread under the influence of the group of progressive owners and agriculturists whom Arthur Young and Sir John Sinclair enlisted in the " Board of Agriculture " (1793-1819).

In the towns the progress of housing development was somewhat different. In the eighteenth century London, and the provincial cities generally, were growing in wealth and population, and the standard in luxury of the wealthy class was advancing. This produced a migration of centres of fashion from one neighbourhood to another, and the abandoned mansions of the rich became the warrens of the poor, gardens at the back being converted

[1] Alice Clark, *Working Life of Women in the Seventeenth Century*, pp. 74-79.

into narrow courts, round which shoddy erections were run up regardless of sanitation and ventilation. Seven Dials is one example of this process ; the Old City of Edinburgh the most striking one. But in the nineteenth century the great and profitable business of slum creation took mainly another form. The rise of the great factory towns and ports brought hosts of workers into districts where they could not possibly be accommodated in existing houses. Here again private enterprise, unfettered as yet by building regulations, came to the rescue. Houses for the factory workers, cheap and nasty, were built in great numbers. During the four decades from 1801 to 1841 the number of occupied houses was increasing at a faster rate than the population. Those who wish to know what were the conditions of life in such houses can find ample information in the reports of the various Health Commissions inspired by Edwin Chadwick.

For the efforts then made to provide wholesome lodging for urban workers the credit must be given to the band of health reformers associated with Chadwick, particularly to Dr. Southwood Smith and Lord Shaftesbury. On their initiative the " Metropolitan Association for Improving the Dwellings of the Industrious Classes " was organised in 1842, and incorporated in 1845, which by 1909 had provided 1,441 tenements comprising 5,105 rooms. This was followed later by other bodies for building better habitations and paying small limited dividends on the capital invested, and by bequests for the same purpose. The most notable in London are :

	Tenements.	Rooms.
The Peabody Fund (1864), having in 1909	5,421	of 12,308
Artisans', Labourers' and General Dwellings Company (1867), having in 1909 -	1,467	,, 3,495
East End Dwellings Company (1885), having in 1909 - - - - - -	2,096	,, 4,276
Rowton Houses (1892), six hotels, accommodating persons.		5,162
The Sutton Trust (1909), administering Mr. W. R. Sutton's legacy of nearly £2,000,000.		

Actual building by the Metropolitan Association began in 1847. But "improvement of dwellings" does not necessarily imply the building of them. Between the time when the Metropolitan Association was started and that when the Peabody Fund was instituted, the most vigorous form of charitable effort was directed towards the improvement of existing buildings. Who were the pioneers in this direction and what was actually accomplished between 1847 and 1864 is unknown to the present writer.[1] One may guess from the terms of Lord Shaftesbury's "Labouring Classes' Lodging Houses Act" of 1851 that something was already being done at the time he drafted his Bill. When, in 1864, Octavia Hill was contemplating the work which afterwards made her famous, she consulted the Honorary Secretary of the "Marylebone Association for Improving the Dwellings of the Working Classes," and was taken by him to visit four houses in a street called "Little Hell," which the Association had bought and cleaned, and was much pleased by them. He then took her to four others in the same street not yet bought—"more awful abodes for human beings I never entered—the stairs broken, the walls bulging and trembling, the dirt, the darkness, the utter absence of all attempts at ventilation."[2]

Octavia Hill was a granddaughter of Southwood Smith, and a friend and pupil of Ruskin's. In 1864 she was twenty-five years old, a religious and humanitarian enthusiast, as befitted her ancestry, and equally an enthusiast for purity and beauty in the surroundings of life, as befitted John Ruskin's pupil. In 1864 Ruskin provided the money for the purchase of "Paradise Place," a group of small cottages in Marylebone, derelict but crowded; in the next year he bought "Freshwater Place," a narrow court with a piece of waste ground.

[1] The reader may be referred to Hole, *The Homes of the Working Classes* (1866).

[2] Emily S. Maurice, *Octavia Hill, Ideals* (1928), p. 189.

The principle of the management was that the worst and most hopeless tenants should be got rid of, that those who remained should be given more room, *e.g.* a family crowded into one room should be given two, paying only the old rent ; and the whole buildings cleaned, repaired and ventilated, and thenceforward kept clean and in repair. If possible the whole enterprise was to be made to pay, so that the example might spread.

In all this there was probably nothing absolutely new ; nothing also which could not be, as it were, standardised and imitated. It was in the handling of the children that the special Ruskinian ideals found expression. The above-mentioned piece of waste ground was beautified with creepers, and made into a children's playground, and a drying ground for their mothers when the children were at school ; the teaching of songs and games, telling stories, visits with children to the Zoo, Christmas trees, May day festivals, were the by-occupations which Miss Hill combined with the stern collection of rents, and equally stern refusal to give doles of money.[1] These London children for the first time in their lives got the invitation to which their country ancestors in their time

[1] No doubt this sternness was essential to the success of the experiment. But Ruskin protested against its being elevated into a general principle. On 30th August, 1870, he wrote to Octavia Hill : "There has been almost an unanimous shriek from the good clergymen of London lately against almsgiving. I don't know what they now call the Church they belong to ; but if that Church has ceased to consider almsgiving as much a duty as prayer-making, it is certainly no longer a Christian one. What they mean, I presume, is what for these ten years I have been vainly trying to get believed—namely that the first duty of charity is to collect a wages fund, and to employ, compulsorily if needful, all idle persons at a fixed rate of wages, adequate to the maintenance of themselves and their families by wholesome food, and in wholesome lodgings, and to do this in direct contradiction of the modern stupidity, ineffable as abominable, of leaving wages to be depressed by competition, and filling up the gap to something like level of life-maintaining with alms as indiscriminate as the wage paying. . . . Remember I entirely concur in all you say and illustrate of the harm of giving assistance to people who might get work if they chose. But this gospel of refusing help to the idle is vain or deadly, unless coupled with the far more necessary one of the necessity of making that idleness cease, by clearly defined direction of labour." (E. S. Maurice, *op. cit.* p. 180.)

had responded—" Come lassies and lads, take leave of your Dads, and away to the maypole hie "—in the form of tickets. " When we were distributing tickets, such awful dens of wickedness, narrow, filthy, dark places, winding stairs where the light never comes, three, four and five children and their parents living, of course, in one room only ; oh, but such rooms ! And the children ! their eyes all inflamed with continued dirt, their bare feet, their wild cries, their disordered hair, and clothes looking as if dogs had torn them all round and carried off great jagged pieces." [1]

Though Ruskin made Octavia Hill's work possible, he certainly did not overvalue it. He wrote to her in July 1875, " Your work is only mitigating of mortal pain, mine is medically curative—London is as utterly doomed as Gomorrah, that is no reason why *you* should not open a window, or buy a field to give a moment longer breath to her plague-stricken children, but I have to labour wholly to fence round fresh fields beyond the smoke of her torment." [2] He feared, indeed, that her success might become ultimately mischievous, by leading people to think that palliatives sufficed.

Octavia Hill trained helpers,[3] and it was largely from her work in Marylebone that the Charity Organisation Society sprang. She was probably its most influential member until Mr. (afterwards Sir) C. S. Loch was appointed Secretary. He thenceforward dominated it, with the result that it developed along the lines that Ruskin had feared, preaching the gospel of refusing doles to the idle without enforcing the social duty of seeing that unwilling idleness should cease. It would appear that in 1885 there were some 160,000 persons living under the

[1] E. S. Maurice, *op. cit.* p. 198 (Letter to Mary Harris, 13th May, 1866).

[2] *Ibid.* p. 187.

[3] Among the ladies who took up the work, though not directly trained by Miss Hill, was Beatrice Potter (Mrs. Sidney Webb). Her experience and reflections are described in *My Apprenticeship*, pp. 259-279.

superintendence of lady collectors employed by associations for the Housing of the Poor, and that then, in Canon Barnett's opinion, they were, as a body, degenerating, and some new stimulus was needed to attract stronger and finer women into the profession.[1] It would have been strange if it had not been so.

The operations of the various associations for providing " model dwellings " were much facilitated by the practice of the Metropolitan Board of Works, which did much street improvement, involving destruction of inhabited houses, under statutory regulations requiring the rehousing of the evicted occupants. It discharged this responsibility by handing over the available sites to the housing associations. The coming into existence of the London County Council, and the passing of the Housing Act of 1890, caused a reversal of this policy, as the Council preferred to do the work itself.

Legislation permitting local authorities to undertake housing began with Lord Shaftesbury's Act of 1851. Under it any ten ratepayers in a parish could call upon the churchwardens or clerk to convene a special vestry meeting to decide whether the Act should be adopted for the parish. The resolution to adopt required a two-thirds majority, and the approval of the Central Health Authority. If carried and approved, commissioners were to be appointed, authorised to borrow money on the security of the rates, and to build, alter, enlarge, repair, improve, and *furnish* lodging houses for the labouring classes, and to purchase or lease either land or existing buildings for this purpose, and, if the enterprise proved a failure, to sell any properties acquired. So far as is known no parish ever put this Act into force.

In 1868 the " Artisans' and Labourers' Dwellings Act " (Torrens' Act), 31 and 32 Vict. c. 130, made the second attempt. Under it the initiative had to be taken by the local Medical Officer of Health, whose duty it was to

[1] Mrs. Sidney Webb, *My Apprenticeship*, p. 275.

report the existence of houses unfit for habitation to the local health authority, which was then authorised to compel the owners to make the houses fit, or if that were impossible or too expensive, to demolish them. If the owner failed to do so the local authority itself could demolish or repair, or reconstruct, charging the owner with the cost. By 1889 (*i.e.* up to the coming of the London County Council) nearly a thousand houses had been dealt with under this Act[1] in London, and about 300 in the rest of the country.[2]

In 1875 the "Artisans' Dwellings Act" (Cross's Act, 38 and 39 Vict. c. 36) was passed, enabling insanitary areas to be cleared and the inhabitants rehoused. Under this, before 1889,[2] in London 22,868 persons were displaced and 27,780 housed. By that time seventeen schemes had been adopted under the Act by authorities outside London.

This progress, though slow, indicates a growing realisation of the necessity of dealing with the housing problem through the instrumentality of local authorities. Meanwhile there was also a considerable strengthening of the law from the point of view of prevention of the creation of slums. Thus, for example, the by-laws which the local authorities were authorised to make for houses let in lodgings, or occupied by members of more than one family, under the Public Health Act of 1866, if suitably framed and uniformly and efficiently enforced, would have gone far to make extreme overcrowding, excessive dirt, and lack of sanitary appliances, impossible in any urban area.[3] Up to the end of the nineteenth century

[1] Amended in 1879 and 1882 so as to permit dealing with "obstructive dwellings," *i.e.* those which, though not themselves unfit for habitation, made others unfit by depriving them of light and air.

[2] H. Barnes, *Housing* (1923), p. 103.

[3] For a sample set of by-laws (Southwark 1867) see *What to do and how to do it* (1884) by the Sanitary Laws Enforcement Society, pp. 89-97. Three hundred cubic feet per adult was the standard usually adopted for air space; this, of course, is inadequate, but it could have been gradually

little use was made of this weapon. The responsibility for the actual failure rested with the Local Government Board.

A definite abandonment among housing reformers of reliance on voluntary effort in favour of public action was the outcome of the Report of the Royal Commission on the Housing of the Working Classes of 1884-5, on which the then Prince of Wales, King Edward VII, served. It recommended a vigorous levelling-up of sanitary inspection, reform in the structure of local government, greater and more elastic powers for purchase and building to local authorities, cheap Government loans to them for this purpose, rating of vacant sites at 4 per cent. of the selling value, cheaper land transfer and reduction of compensation for land compulsorily acquired, improved transit, and municipalisation of water supply. Many of these recommendations have since been carried out, but not those which touch the rights of landowners.

The Housing Act of 1890 was the outcome of the Royal Commission. It consisted of three parts, of which Part I embodied the principle of the Cross Act, and dealt with insanitary areas ; Part II, like the Torrens Acts, with insanitary houses and adjoining obstructive buildings ; and Part III, like Lord Shaftesbury's Act of 1851, but much more workable, was to facilitate municipal building.

From this time housing became a burning question of municipal politics. London elections were fought on London issues, the hostile parties contending as Progressives and Moderates, trade unionists and Liberals pretty unanimously voting Progressive, while house owners and publicans were keen for Moderation. Outside London the struggle between the two opinions—to build or not to build—was fought out rather in the selection of candidates and in the Council Chamber than in the actual election,

levelled up. Kensington Vestry had the best and the best enforced by-laws in London. Excellent Building By-laws were passed by the Metropolitan Board of Works in 1879.

as the electors were canvassed as Liberals or Conservatives. One City Council determined its policy by referring the question to a Professor of Economics, who told the Councillors that if they began to build private builders would cease, and the shortage of houses would be aggravated instead of being relieved. That he should have imagined that a number of pretty keen business men, not too well off, would throw away their accustomed means of living merely because a new competitor appeared, is a surprising feat even for the academic mind. That he was entirely mistaken is shown by the Census returns :

	1891.	1911.	Increase.	Percentage of Increase.
Population : England and Wales	29,002,525	36,070,492	5,067,967	17·47
Inhabited houses -	5,451,497	7,141,781	1,690,284	30·83

During this period of twenty years " the accelerated pace caught up nearly 200,000 houses in the arrears of the preceding fifty years." [1] Only a very small proportion of the houses were built by public authorities ; in the main it was an effort of private enterprise, stimulated rather than discouraged by municipal competition. Naturally, while municipalities were talking, and making enquiries with regard to the extent and nature of the demand, the advocates of action struggling with the opponents, and embarrassed by difficulties and delays, the private builder was hastening to get houses actually built and sold before the Council had secured a site. When the Council had got so far it usually put out the building to contract, and on the Council's houses also the private builder got profits, largely by dovetailing that work with his own.

In this period statistical overcrowding as recognised by the census, *i.e.* as tested by the numbers of people living more than two per room in tenements of less than five

[1] Barnes, *op. cit.* p. 54.

rooms, was greatly abated, and in many counties dwindled almost to vanishing point. A test which takes no account of size of rooms is of course of little value when comparing place with place—for example Scotland and Ireland with England and Wales—but it is fairly valid for the same areas at different times. The times were favourable. Rates of interest ruled low, reducing the rent necessary to cover costs, rising standards of comfort and of real wages created an effective demand for better housing, and lowered birth rates reduced the average numbers of families. The Act of 1890 was amended from time to time, but finally superseded by the Housing and Town Planning Act of 1909. Housing loans in London under Part III came up to about two-and-a-half million pounds, and in twenty-eight of the provincial towns to about the same amount. Some towns worked instead under local Acts. Others relied rather on Part II [1]; Birmingham between 1902 and 1905 under this part dealt with 4,111 houses, of which 1,780 were repaired, 1,005 demolished, the remainder being in 1907 under notice of demolition or in course of repair.[2]

The financial principle on which proceedings were based was that there should be, for house building as distinct from slum clearance, no charge on the rates. The tenants, therefore, of the municipal flats and cottages had to pay rents calculated to cover the interest on the loans, empties, repairs, administrative expenses, rates, taxes, and also the repayment of the principal within periods which were fixed at different times at forty, fifty and sixty years; thus creating future debt-free assets for the local community. Under the existing conditions this was probably the best policy, as well as the only practicable one; deliberate subsidising of municipal housing

[1] For the advantages of procedure under Part II., see Nettlefold's *Practical Housing*.

[2] Every aspect of municipal housing up to the end of the nineteenth century is dealt with in *The Housing Handbook* (W. Thompson), published by the National Housing Reform Council.

out of the rates would have been both too unpopular, and might have discouraged private building which could not have been dispensed with.

But this refusal to subsidise housing had the result that nothing could be done for rural workers. Up to the end of 1899 six Rural District Councils had adopted Part III of the Housing Act of 1890, and four out of the six, having gone so far, abandoned the enterprise. The other two were Thingoe R.D.C. in Suffolk, which built eight cottages for the parish of Ixworth, and Sevenoaks R.D.C. in Kent, which built six for the parish of Penshurst. In each case there was a long and arduous struggle before anything was done. Ixworth was officially described as a site overcrowded with hovels, and the hovels themselves overcrowded with inhabitants, some of them being closed as unfit for habitation. The eight cottages built were let at £5 5s. per annum, leaving an equal charge upon the rates. In the Penshurst scheme the six cottages built, after twenty had been declared necessary, were let at five shillings per week, and the expense was covered; but in that case there was no attempt to build for ordinary agricultural labourers.[1]

Meanwhile in Ireland the Rural District Councils, or their predecessors the rural Boards of Guardians, had secured housing loans of nearly two millions, and on 31st March, 1900, had 14,281 cottages built, let at average rents of a shilling a week for cottages and gardens averaging three-quarters of an acre, 607 more cottages building, 1,415 more sanctioned, and loans applied for to the amount of over £1,300,000 for the purpose of building 8,000 more cottages, or to add further half acres to the half-acre garden plots already provided.[2] All this was done not under Housing Acts but under the "Labourers'

[1] Thompson, *op. cit.* pp. 133-137; or W. W. Crotch, *The Cottage Homes of England.*

[2] On 31st March, 1911, the number of cottages built was 35,469, the average rents of the cottages and areas of the gardens attached being the same as in 1900, and 13,000 more cottages had been sanctioned.

Acts (Ireland), 1883-1896," and the force operating was that of Central Subsidy. The subsidies were very moderate, and came partly from funds made available by the disestablishment of the Irish Church, and partly from provision made, and not needed, to cover losses on purchasers of farms under the Land Purchase Act failing to keep up their payments of interest and instalments of principal on the State Loans provided for the purpose.[1] The Irish agricultural labourer was given a statutory right to a good cottage and a large garden. If none were available otherwise he could appeal to the Rural District Council ; if that failed he could appeal to the Irish Local Government Board, which could compel the Council to act, or act in default. The limit to public action was only reached when the annual cost left uncovered by rents received and Exchequer Grants came up to a rate of a shilling in the pound.

The course of events during the 1911-21 decade with regard to house accommodation was a violent contrast to that in the two preceding decades. Even before the war there was a great falling off in house building, beginning from the financial year 1910-11. This is partly to be attributed to " The People's Budget," which introduced a machinery for land valuation to form the basis of future taxation of the unearned increment of land values. Speculative builders are mostly short of capital ; their prosperity therefore depends on quick sale of houses built or building, and they need the support of a class of investors. In the latter part of the nineteenth century house purchase was a favourite method of investing small savings—" safe as houses " was a proverbial expression. The new obligation on house-owners to fill up complicated forms from which estimates of the value of the land, apart

[1] G. Slater, *Contemporary Review*, September, 1902, " Rural Housing—a Lesson from Ireland." Thompson, *op. cit.* p. 138, gives groundplan and elevation of a typical cottage under the Acts, and pp. 37-9 a brief summary of the Acts. For further progress after 1900 see reports of the Irish Local Government Board.

from the buildings on it, might be deduced, and the vagueness of the threat of future taxation, naturally frightened simple souls. The shock had not worn off before the outbreak of the war. Rates of interest also were higher between 1910 and 1914 than they had been previously, and this also retarded building. The housing shortage was therefore being aggravated during those years. House building was almost entirely suspended during the war. On the other hand it was stimulated in 1919 into frenzied activity by the Housing Act of that year. The net result was that between 1911 and 1921, while the population increased by 1,814,750, the number of structurally separate houses increased by 357,000, enough, on the basis of 4.5 [1] persons per house, for 1,606,500 persons.

On this basis the shortage of houses was increased by about 200,000 houses, the check to the increase of population due to the war and to the great influenza epidemic of 1918 having partly balanced the check to house building. Actually this greatly understates the position, because (1) owing to the fall in the birth rate, the number of families had increased in a much larger ratio than the total population ; (2) the work of closing houses unfit for habitation had been practically suspended from the outbreak of the war ; and (3) migration of the population had caused many existing houses to be unavailable—the fact, for example, that there are tenantless cottages, derelict and tumbling down, in rural districts of Devon and Cornwall, is no set-off to the lack of houses in the areas to which the previous tenants have moved.

The Census of 1921 showed an excess of 760,543 families over houses. In 1919 the excess could not have been less. The premium on labour caused by war demands, the enhanced wages, the swollen membership of the Trade Unions, and the optimistic speeches of poli-

[1] This was the average number of persons per family according to the census of 1911.

ticians combined to produce a temper of mind ill-disposed to tolerate even the pre-war housing conditions, much less further deterioration. Accordingly the Coalition Ministry, with Mr. Lloyd George as Prime Minister and Dr. Addison as Minister of Health, determined to attack the problem in the same spirit, and by much the same methods, as the war problem of supply of munitions. The difficulties were enormous. The number of skilled artisans available had been reduced during the war by about 50 per cent., and the importation and home production of building materials checked. Woods and forests had been laid low to provide timber for trenches and other war needs, and seasoned timber was scarcely to be had at any price.

The effort was made to overcome all these obstacles by sheer force of money. By the two Housing Acts of 1919 building by local authorities was made compulsory, and the Treasury was to meet all their consequent deficits beyond the produce of a penny rate ; and subsidies were given to private builders averaging £240 per house. During the short period that Dr. Addison, who was called upon to resign in June 1921, was allowed to administer these Acts, the building of 174,540 houses by local authorities was set on foot, at a cost of about £175,000,000, and of 40,000 houses by private builders, at a cost to the Treasury of £9,493,000. Meanwhile the number of marriages celebrated in 1919 was 369,411 ; in 1920 379,982 ; in 1921, 320,852.[1] The number of new couples demanding houses therefore reached record figures. Hence the increased supply obtained at so great a cost failed to keep pace with the increased demand.

Meanwhile the Government, on the principle of not letting its right hand know what its left hand was doing, was simultaneously, in concert with the banks, embarking on a policy of currency deflation, which depressed trade

[1] The pre-war average was about 280,000.

and enormously increased the burden of debt and taxation. The National Debt on 31st March, 1920, was £7,623,000,000. On 31st March, 1921, reckoned in the values of 1920, it was £12,344,000,000, the purchasing power of the pound having increased in the ratio of 251 to 155. On 31st March, 1923, it was £15,201,000,000, reckoned in 1920 values. All private debts increased in real values in the same proportion. Inevitably a great outcry arose, not against the deplorable policy of revalorisation, imposed on the Government by the bankers and the Cunliffe Commission, but against all Governmental expenditure. Hence the Anti-Waste Campaign and the Geddes Axe. Dr. Addison was sacrificed, his place was taken by Sir Alfred Mond (Lord Melchett), and the Treasury grant was cut down to £200,000 a year, assigned to the improvement of specially insanitary areas.

It is undeniable that there was need for some modification of policy, as the principle that local authorities should do the work, and that the Treasury should meet excessive costs,[1] obviously encouraged waste and extravagance which no central control could adequately check. But the sudden stoppage was disastrous and unnecessary; unnecessary, as costs were beginning to fall in the latter months of Dr. Addison's administration, and the initial difficulties were being overcome by degrees; disastrous because the number of men employed on housing schemes was suddenly cut down from 140,000 to 40,000,[2] the confidence of the building trade unions in Government promises was so shaken that no future dilution proposals could be accepted, and the difficulties of the future were aggravated.

The dissolution of the Coalition, the General Election of 1922, and the formation of the first Baldwin administration, with Mr. Neville Chamberlain as Minister of Health,

[1] Dr. Addison has repudiated liability for this mistake, asserting that the arrangement was adopted in opposition to his advice.

[2] R. L. Reiss, *The New Housing Handbook*, p. 33.

was followed by a fresh attempt to deal with the shortage problem. Mr. Chamberlain's Act (1923) provided for a State subsidy of £6 a year for twenty years for qualified houses, whether built by private enterprise or by local authorities, the local people responsible accepting all further financial responsibility. The qualification for two-storied houses was that the floor space should be between 620 and 950 square feet, for flats and one-storied houses, between 550 and 880 square feet. Private builders had to submit plans to the local authority, which could impose restrictions with regard to rents or selling prices. About two-thirds of the houses built under this Act were built by private builders for sale at prices beyond the reach of ordinary weekly wage-earners.

The Conservative administration was short-lived, and the General Election of 1924 resulted in the formation of the first Labour Government, with a still shorter life before it. Mr. John Wheatley, as Minister of Health, immediately got into touch with the employers and trade unions of the building trade, with the special object of stimulating the provision of houses to be let, and not sold. The Chamberlain Act was not repealed ; on the contrary its continuance for fifteen years was guaranteed, to run concurrently with the new Act to be passed.[1] Under the two Acts combined it was hoped that in the period of fifteen years 2,500,000 houses could be provided, to clear off an estimated existing shortage of a million houses, and to provide an annual supply of a hundred thousand houses per annum for the fifteen years, the number annually built to be raised first to 90,000 in 1925 (as compared with 26,000 built in one year under Mr. Chamberlain's Act), then increasing annually up to 225,000 in 1934 and subsequent years. If the scheme failed to come up to two-thirds of the expectation it could be discontinued by the Minister.

To make this possible the admission of apprentices to

[1] The Housing (Financial Provisions) Act, 1924.

the building trades was facilitated by agreement, by extending the age of admission to twenty, and subsidies were increased. The Chamberlain subsidy of £6 a year for twenty years for houses built for sale remained; but another subsidy was given of £9 a year for forty years (£12 10s. a year in purely agricultural parishes) provided the houses were let and not sold, and let at minimum rents, special preference in allotting them being given to large families. The minimum rent was defined as the normal rent under pre-war conditions, or as much more as would be necessary to reduce the annual loss to the local authority to £4 10s. per annum per house. If the cost of building fell it was permissible to the Minister to reduce the subsidy for future building. The annual cost to the Treasury, assuming that building proceeded according to expectation, and no alterations were made in the provisions, was estimated to reach £23,156,000 in 1940-1, and be maintained at that level for twenty years, after which it would gradually fall, the maximum cost to local rates being half that to the Treasury.

The result of the combined operation of these two Acts is shown by the following figures:

Years ending 30th September.	Number of houses built:		
	With subsidy.	Without.	Total.
1919 - -	—		
1920 - -	6,127	30,000 [1]	210,237
1921 - -	67,945		
1922 - -	106,165		
1923 - -	25,969	52,749	78,738
1924 - -	36,459	73,032	109,491
1925 - -	92,291	66,735	159,026
1926 - -	131,895	65,698	197,584
1927 - -	212,916	60,313	273,229

(*Labour Gazette*, Dec. 1928, p. 434.)

[1] Estimated.

Under the special provisions for agricultural parishes there were on 31st March, 1928, 12,865 houses sanctioned, 10,195 built, 889 in course of erection.

The success of Mr. Wheatley's scheme surpassed expectations, and on the 2nd December, 1926, Mr. Chamberlain, who had returned to the Ministry of Health after the General Election of 1925, reduced the subsidy for houses not completed before 1st October, 1927, if built under his own Act, from £6 to £4, if under Mr. Wheatley's Act from £9 to £7 10s., and for agricultural districts from £12 10s. to £11, on the theory that this reduction of the subsidy would reduce the cost of building. In consequence the number of subsidised houses built in the succeeding year fell from 212,916 to 101,791, and of the total number of houses built from 273,229 to 166,415. This great reduction in the effective demand on the building trade did produce a marked reduction in contractors' prices. The average contract price to local authorities during the October-to-December quarter of 1926 was £513 for a parlour-house, £449 for a non-parlour house. By the October-to-December quarter of 1927 these had fallen to £453 and £407 respectively, and in the next quarter, January to March 1928, they fell still further to £437 and £368. On the other hand there was a great increase in the number of unemployed in the building trades. On the whole Mr. Chamberlain was so pleased with the result of this first reduction that he followed it up on 12th December, 1928, with a further order abolishing altogether the subsidy under his own Act on houses not completed by 1st October, 1929, and reducing those under Mr. Wheatley's Act to £6 and £9 10s.

The defeat of the Conservative party in the General Election of 1929 and the assumption of office by Mr. Macdonald's second administration prevented this further reduction of subsidy, and the demand was made that the original scales should be restored. Assuming that the

full Wheatley policy is restored, with such detailed modifications as experience shows to be desirable, we are within sight of the solution of the housing problem in that particular aspect which has been most prominent of late years. There will be houses enough of a respectable standard, and it will no longer be necessary to tolerate the continued occupation of houses unfit for human habitation. But the estimates made a few years ago with regard to the population to be catered for need to be revised in view of the recent rapid fall in the birth rate. Births, deaths and marriages have been recorded as follows :

ENGLAND AND WALES.

Year.	Births.	Deaths.	Marriages.	Natural increase.
1920 -	957,782	466,130	379,982	491,652
1921 -	848,814	458,629	320,852	390,185
1922 -	780,124	486,780	299,524	293,344
1923 -	758,131	444,785	292,408	313,346
1924 -	729,933	473,235	296,416	256,698
1925 -	710,582	472,841	295,689	237,741
1926 -	694,897	453,795	279,860	241,102
1927 -	654,969	484,636	308,370	170,333
1928 -	660,267	460,440	302,810	199,827
1929 -	644,218	532,525	—	111,693

The figures of deaths and natural increase for 1929 have, taken by themselves, no great significance, as the deaths in the first quarter of the year were swollen to 50 per cent. more than those of 1928 by the abnormal weather and influenza. The births for 1929 were even fewer than those for 1927, which were less than for any previous year since the time of the Crimean War and the Indian Mutiny, over seventy years ago. Though we may hope for some trade recovery and renewed confidence in industry, which would tend to produce a temporary increase of births, the indications are that the general trend will continue downwards. On the other hand, in view of

the rapid increase in the proportion of the aged to the total population, the number of deaths per annum is pretty sure to increase, in spite of all that can still be done to enhance health and reduce mortality at different ages. The natural increase therefore is not likely, during the next decade, to be greater than would suffice to cover a moderate net loss of population by emigration. Its rapid reduction in the last decade is shown by the following triennial average :

Average annual natural increase,	1921-1923	- 332,292
" " " "	1924-1926	- 245,180
" " " "	1927-1929	- 160,618

which compares with a pre-war average (decade 1904-1913) of 395,000.

The demand for houses, however, depends more on increase in the number of families than on increase in the population. Each marriage ordinarily creates a demand for a separate house or flat. The marriage rate is, as the preceding table shows, being well maintained at about 300,000 per annum ; but as the number of young people annually reaching a marriageable age is now declining, and as the increased number of houses brings with it an increased number annually becoming vacant, the numbers of newly-married couples to be accommodated in new houses must diminish.

In proportion as we find less need to be concerned about the total supply of accommodation, we shall have to give more attention to the problem of allotting the available accommodation in proportion to needs. This cannot be left satisfactorily to adjust itself through the operation of supply and demand. The need of a family depends on its numbers, which again depend largely on the number of dependent children ; but the greater the number of children the smaller the amount which a family of given income can afford to pay for rent. It is, therefore, those families which most need the larger tenements which are most effectively coerced into crowding into the smaller ones.

The range of sizes of families according to the Census of 1921 is given in the following table :

FAMILIES OF MARRIED MEN OF ALL AGES.

Number of dependent Children (under 16).	Number of Families.	Total of Children.
0	2,196,439	—
1	1,716,418	1,716,418
2	1,139,226	2,279,452
3	657,683	1,973,049
4	371,484	1,485,936
5	204,487	1,022,435
6	100,883	605,298
7	40,442	283,094
8	12,856	102,848
9	3,529	31,781
10	750	7,500
11	158	1,738
12	27	324
13	8	104
Total - -	6,444,390	9,508,977
Not stated -	1,030,661	

The supposed " normal family " of man, wife and three children is represented by only about 10 per cent. of the actual families, and the average number of dependent children per family is only about one and a half. Assuming that the " not stated " families are in fact distributed among the different groups in much the same proportions as those for whom the facts are given, just over 60 per cent. of the total number of families have no more than one child, more than 78 per cent. no more than two children. On the other hand considerably more than one-third of the total number of children belong to families, about one-ninth of the whole number, which have four or more dependent children.

It is this one-third of the nation's children which is in most serious danger of physical and moral injury through overcrowding. It is therefore reasonable, as Miss Eleanor Rathbone has argued in the House of Commons, that such assistance as the State can give in the form of housing subsidies should be specially earmarked for the relatively few families which have many children. Children are becoming scarce, and it is no longer possible to think, with John Stuart Mill, of the parents who bring up families of half-a-dozen or more robust boys and girls, as deplorable examples of selfish indulgence, snatching greedily at more than their due share of the pleasures of life ; they now appear, on the contrary, to be earning, by much effort and self-denial, the gratitude of the nation.

In 1926 something was done for rural housing in Great Britain on the lines laid down forty-three years earlier for Ireland. The Allotments and Small Holdings Act (1926, c. 52) empowered County Councils to provide " Cottage Holdings " consisting each of a dwelling-house with land of any extent from forty perches (quarter of an acre) to three acres, without necessarily recovering the cost in the rent ; and empowered the Board of Agriculture and Fisheries to make grants to the County Councils for this purpose to the amount of 70 per cent. of their estimated cost. These holdings are available only for agricultural labourers and rural workers in industries ancillary to agriculture. In the same year the Housing (Rural Workers) Act (c. 56) enabled Councils of Counties and County Boroughs to make grants up to two-thirds of the estimated cost, or to a hundred pounds, whichever was less, for the reconstruction and improvement of dwellings occupied by agricultural labourers, or others in an equivalent financial position, and empowered the Ministry of Health to refund to the local authority half the amount so spent.

Ultimately these measures, if worked energetically by the central authorities, may be as valuable to Great

Britain as the Labourers' Acts have been to Ireland. Up to the present they have not roused much rural enthusiasm. Mr. W. Hyde, Secretary of the National Federation of Rural Approved Societies writes [1]:

"Ten years ago the agricultural worker believed that the State-assisted housing schemes would enable him to acquire a better house under a system of tenure which he considered more stable than that on which the 'tied cottage' is based. He has been sadly disillusioned. He has seen many new houses built in country villages. Costs of construction have, however, been reflected in rentals quite outside his economic reach. In the main the Council houses in rural areas are occupied by tenants engaged in non-agricultural occupations. The *Report on Rural Housing* which is about to be published by the Oxfordshire Rural Community Council will contain full proof that this is the case in that particular county, and there is no evidence that this instance is exceptional. When the dream of a Council house had faded from his mind, the agricultural labourer found renewed hope in the passing of the Housing (Rural Workers) Act, 1926. 'Here,' he thought, 'is something which will help my landlord to bring my old cottage up to date.' But even this Act has largely proved a mirage. Less than 1,600 houses have been reconditioned in two years. Is it any wonder that the agricultural worker feels that he is the person whose interests receive least consideration where housing schemes are concerned? When a non-Council house falls vacant in the village, who gets it? Not, in the majority of instances, the young agricultural labourer who has postponed his marriage until a house can be found, but some industrial worker from outside who can pay a higher rent. *These things are eating into the hearts of the younger men in our villages.*"

SUPPLEMENTARY NOTE

Since this chapter was written, the Minister of Health's "Housing (Slum Clearance) Bill," which raises fresh hopes of rapid progress, has been issued.

[1] *Social Science Review*, September 1929, p. 187.

CHAPTER XII

THE STATE AND THE TRADE IN ALCOHOL

That abuse of alcohol is a potent encourager of vice, and a cause of social and moral ruin to many men, is a truth repeatedly emphasized by moralists of ancient times. In our own country, however, it was only at the beginning of the eighteenth century that "the drink problem" became a matter of vital importance in the lives of the masses of the people. Previously drunkenness was rather a privilege of the rich than a vice of the poor, except on occasions of special rejoicing, as Christmas, weddings, funerals, fairs, church ales, etc.

Though FitzStephen, writing at the end of the twelfth century, names "the excessive drinking of foolish persons" as one of the two drawbacks of London life, our forefathers in the Middle Ages saw little need of temperance legislation.[1] Local communities were in the habit of appointing "aleconners," annually elected unpaid officers whose duty it was to taste the ale supplied by retailers to see if it was good, the ale apparently being in no danger of censure on the ground of being too strong, but only on the ground of being too much watered. Brewing was otherwise unregulated, and, like baking, was one of the occupations which women took up when obliged to earn their own living. We still talk of "brewster sessions," the word "brewster" meaning a woman who brews. Such

[1] The Corporation of the City of London in 1285 forbade taverns to remain open after curfew. This was probably exceptional. (Arthur Shadwell, *Drink, Temperance and Legislation*, p. 18.)

small producers naturally kept only very small stocks, and sold their ale as quickly as possible, and also made as large a profit as they could ; and so, with not too much malt in it, and that malt not completely fermented, the ale sold to poor folk was probably a fattening rather than an intoxicating fluid.

As towns got larger they became more unhealthy, and having no scientific means of sewage disposal they increasingly tainted the neighbouring springs and streams. Non-alcoholic drinks were made by infusing various herbs by countrywomen for medicinal purposes, but hot-water drinks as ordinary beverages were unknown, and so fermented liquors like beer and cider were the only drinks available for the masses of the people which everywhere were reasonably safe. It is natural, therefore, that they should come to be regarded as necessaries for the working man. For the benefit of those who could afford it, wine was imported in ever increasing quantities, in spite of increasing custom dues.

The first general laws relating to the sale of alcoholic drinks were passed under Henry VII in the years 1495 and 1504. They authorised any two Justices to suppress unnecessary alehouses in their own districts, on the ground that the people would be better employed in practising archery. During the next half-century, however, it was still open to anyone who chose to brew and to set up a bush in the front of the house to advertise the fact that there was fermented liquor on sale within.

The first licensing law, which put an end to this free sale by requiring that the shops should obtain from the Justices of the Peace licences annually renewed, was passed in the year 1552. The motive probably was mainly political. It was a time of great political excitement ; King Edward VI was near the end of his life, Protestants and Catholics were plotting and counter-plotting, important people had reason to fear assassination. The Protector doubtless considered it advisable to

have some means of keeping control over places where men met to talk as well as to drink. Under Queen Elizabeth the central control over local administration was being continually strengthened, the Privy Council keeping watch over the County Justices, sending out " Orders in Council " with regard to their procedure, and expecting them to be equally vigilant in their supervision of local affairs, the matter of inns and alehouses included. This supervision lasted till the outbreak of the Civil War in 1642. The principles laid down were that alehouses and victualling houses " ought to be no more than a number competent for the receipt of travellers, and for the supply of wants to poor people not able to victual for themselves (which are the true, ancient, and natural use of these houses), and with this also, that they be not made the receptacle of drunkards, felons, and loose and idle persons." In accordance with these instructions the Justices, at least in some counties, drew up rules for the good conduct of alehouses, and required their observance on pain of the summary pulling down of the alehouse sign by the parish constable.[1]

The hands of the Justices were strengthened from time to time by legislation. An Act of 1603 imposed a fine of ten shillings on innkeepers for permitting drunkenness, one of 1607 a fine of five shillings on the drunkard, and in 1610 the penalty on innkeepers who broke these laws of three years' suspension of their licences was added. In 1627 a fine of twenty shillings or a whipping was prescribed for keeping an alehouse without a licence. On the other hand the scope of their authority was limited by certain ancient privileges. The Vintners' Companies and Gilds of London and certain other ancient cities enjoyed monopolistic rights to sell wine ; and at the fairs surviving from the Middle Ages the ancient customary right of setting up a bush and selling ale without a licence during the fair was still maintained, in spite of the

[1] S. and B. Webb, *Liquor Licensing in England*, pp. 10 and 11.

statute of 1552. Wine also could be sold by licence granted by the King.

After the Civil War the powers of the Justices remained, but the supervision by the Privy Council ceased ; they were left to use their discretion in conferring upon individuals a privilege which tended to become continually of greater commercial value. The use of hops, which began in the sixteenth century, initiated progressive advance in the art and science of brewing, which tended continually to become more and more a commercial enterprise in the hands of men, instead of a domestic industry conducted by women. Increase of trade, improvement in the arts of agriculture and manufacture also increased the surplus funds available for indulgence, and the Puritan war on those popular games and sports which the advocate of temperance now values as " counter-attractions " secured for the drink trade a disproportionate share of the people's spending power.

The practice of the Justices of the Peace, thus left unsupervised, varied from place to place and from time to time. In the eighteenth century, in the rural districts they were much concerned with getting rid of publicans who had dealings with poachers ; in towns where party spirit ran high the borough magistrates gave the licences to political supporters or to personal friends ; in Westminster and the metropolitan parishes generally the notoriously corrupt magistrates used their licensing powers to extort bribes and blackmail. Hence, so far as the metropolitan area was concerned, the licensing system tended to put the business of selling alcoholic liquor in the hands of men of a a deplorably low moral type.

The increase of consumption of native liquor, during and after the Civil War, caught the attention of the financiers. There were experiments in excise under the rule of the Long Parliament, and in 1660 the system became permanent, and the tax then imposed on the manufacture of all the popular fermented drinks became

a very important and continually growing source of revenue. The consumption was great, but as long as alcohol was taken only in the form of fermented liquors the physical injury caused by it was limited. Until nearly the end of the century the distillation of spirits, a new art, was a monopoly in the hands of royal patentees, and the output was small. The " Glorious Revolution " of 1688 altered this. It initiated a series of wars against France which continued with one short break till the treaty of Utrecht in 1711. England and France entered upon their long conflict for maritime supremacy and overseas empire, and right through the eighteenth century British fiscal policy aimed at commercial injury to France as much as at commercial advantage to Britain. Wine and brandy were important items in French export trade, their importation into Britain therefore had to be stopped. But the ruling aristocracy had no intention of forgoing wines and spirits, and so alternative sources of supply were tapped. A treaty with Portugal, which was regarded as a splendid stroke of business, was concluded, by which British manufactured goods were received into Portugal, and Portuguese wines into the United Kingdom, at specially low rates of duty, and port superseded the lighter French wines as the beverage of the well-to-do, and drunkenness became fashionable. The phrase " as drunk as a lord " became proverbial, and the example set to the masses of the people was as demoralising as it was contagious.

The Government also contrived that the aristocratic example should easily be followed ; and that the means of getting drunk be amply available. British distilleries were encouraged to the utmost, as the most effective means of keeping out French brandy. Statutes passed between 1690 and 1701 provided that if they used malted corn they should pay only a very low excise duty, while foreign spirits should be kept out by prohibitive duties. No licence was at first required from retailers, and when

these, in 1701, were required to hold an alehouse licence, the distillers were allowed to open as many retail shops as they chose, and to sell through any shopkeeper dealing in other goods. The wealth of London grew with increasing commerce and increasing governmental expenditure ; rents in the country were rising, and were being more and more spent in town ; farms were being consolidated and peasants driven off the land to swell the London population, which grew by immigration in spite of the enormous excess of deaths over births. The demoralisation of the people by poverty, overcrowding, uncertainty of employment, and drunkenness, fostered vice, crime, and reckless mob violence, against which, in the lack of police, there was no defence short of ordering out the troops. In 1720 the Spitalfields silk weavers forced Parliament to prohibit the importation of Indian cotton goods by besetting the West End shopping centres and throwing sulphuric acid over the clothes of the ladies as they stepped out of the drapers' shops into their carriages.

This state of affairs lasted right through the eighteenth century, reaching a memorable crisis in the Lord George Gordon riots of 1780, during which the mob broke open the prisons, raided the distilleries and spirit stores, and rioted for six days, until the King ordered out the troops. Highwaymen beset the roads, gangs of robbers the streets of London, and on all the coasts a sort of guerilla warfare was carried on between the smugglers and the preventive men. Savage penalties, innumerable public executions, and lavish rewards to informers were resorted to in vain, and England became the most criminal country in Europe, the ginshops being the nurseries of crime.

Already in 1729 the devastating effects of the policy of fostering distilling had become so notorious as to provoke a reaction. A new and additional excise tax of five shillings per gallon was imposed on gin and other "compounded" spirits, retailers were required to pay twenty pounds for a licence, and hawking spirits in the streets

was prohibited. The distillers countered this by producing new forms of spirit, which they called "Parliament Brandy," distilled out of varied materials, and less exclusively out of barley malt. The magistrates acquiesced in the contention that this product was outside the law, and so the sales were maintained, while landowners were alarmed at the prospect of a reduced demand for barley. In 1733 the Act was accordingly repealed.

In 1736 a fresh and even more drastic attempt at control was made. The new Act applied to all spirits, it imposed on retailers a tax of twenty shillings on every gallon sold, and restricted the retail sale to publicans who paid an extra fifty pounds a year as a spirit licence fee. This amounted to almost complete prohibition, as during the six years that the law stood only three licences were taken out, and yet the amount of distilled spirit on which excise duty was paid rose from 4,947,000 gallons in 1734 to 7,160,000 gallons in 1742. We have, of course, no statistics with regard to the amount of either illicitly distilled or smuggled spirit for either year. Making only a moderate allowance for these sources of supply we may guess for 1742 at a total consumption of two gallons per head for the population of about six millions. The population was still predominantly rural, and the farmers, peasants, agricultural labourers, and craftsmen of the rural districts and small inland towns who comprised the majority, probably contributed scarcely at all to the consumption, which leaves some four gallons a head for the metropolis, the ports and large towns, the well-to-do in the country, and the poorer folk in direct touch with the smugglers. In the second half of the nineteenth century the average consumption was very little over one gallon per head per annum.

The failure of prohibition was complete. Scarcely anywhere did the magistrates desire really to enforce the law, and where they did so desire they were terrorised into abandoning the attempt or thwarted in their efforts by

the uncertainty of the law with regard to their powers, and by the character of the agents on whom they had to rely. The Middlesex magistrates found in 1736 that nearly half the constables were themselves retailers of spirits. This was natural, as these dealers courted election to the unpaid and onerous office of parish constable while other people avoided it to the utmost.

In 1743 the policy of prohibition was abandoned and public effort was concentrated on the suppression of the illicit traffic. Wars and war debts made revenue considerations paramount. The Government took the great distillers into consultation, repealed the Act of 1736, imposed moderate duties on manufacture and small annual licence fees on retailers, and defined more exactly and extended the powers of magistrates to deal with the illicit trade. This was greatly abated, at the expense of a great increase in the number of licensed houses, frequently of a very disorderly character. Smuggling, however, continued to be rampant, as each fresh outbreak of war with France sent up the duties on French wines, silks, laces, etc., and increased the profits of the "free traders." Brandy came in with the other goods.

From 1743 to 1786 the principle of control of the liquor traffic for revenue purposes only persisted ; then there came a change. A period of peace had begun with a delusive appearance of being likely to be prolonged. Scientific progress was quickening the intelligence of the nation, and a great religious revival stirring its conscience. The beginnings of the industrial revolution were transforming social and industrial life. The Industrial Revolution did not originate economic inequality, or sweating, excessive child labour, overcrowding and slums ; but it intensified these old evils in a concentrated form, especially in certain localities which had previously been the most exempt from them, such as the hilly districts of Lancashire and Yorkshire, so that it was no longer possible to ignore them. Among the efforts for reform—

political, industrial and social—which marked the period, there was one which demanded a new spirit in the administration of the licensing law. It was initiated by the Rev. Henry Zouch, a West Riding magistrate, championed by Wilberforce and strongly supported by King George III. Under Zouch's leadership the West Riding Bench, in April 1786, not only set to work to insist on orderly and reputable conduct of licensed houses but also to enrol respectable citizens throughout the area in local committees for assisting in this work, and in putting down all forms of vice and crime, especially the sin of Sabbath-breaking. In the next year Wilberforce succeeded in obtaining the issue of a Royal Proclamation against vice and immorality, which was sent by the Home Secretary to all County Benches, calling their special attention to the " alarming depredations on life and property."

The movement thus initiated spread vigorously all over the country, except that London was little affected ; and though it was naturally relaxed with the outbreak of the great French War in 1793, it had important effects upon the local administration which lasted till the peace after Waterloo. It also, in the opinion of the Webbs, produced a marked diminution of crime and disorder.[1]

During this period the doctrine of *laisser-faire* became dominant in economic thought ; and in politics, while Radicals were enthusiastic for liberty and equality, Tories were opposed to any restraint on moral grounds on the amusements and indulgences of the common people. Hence, when licensing came up for enquiry by the Select Committee of the House of Commons on the Police of the Metropolis (1816-7), the members concentrated their attention on the question of tied houses, which they condemned as a monopolistic device of brewers and distillers to force up the prices of their wares to the injury of the public. They recommended, in effect, that additional

[1] S. and B. Webb, *op. cit.* p. 83.

licences should be granted to break down such monopolies, and held that no licence, when once granted, should be withdrawn without a trial by jury of the licensee for some statutory offence.

Under the influence of such opinions Parliament cut down the tax on spirits and the fees for spirit licences, and the Justices throughout the country granted licences in greater numbers. In 1830 the Duke of Wellington's Government endeavoured to please everybody, *laisser-faire* doctrinaires, libertarians, brewers, and most of all owners of agricultural land, by abolishing the tax on beer and cider, and throwing the retail sale open to all who paid an excise fee of two guineas. The result was what might be expected. Tens of thousands of new licences were taken out. Sydney Smith, who had previously advocated free trade, wrote: "Everybody is drunk. Those who are not singing are sprawling. The sovereign people are in a beastly state." The great increase in beer consumption had little influence on that of spirits. The amount which paid duty had suddenly gone up, on reduction of the tax, from 3,684,000 gallons in 1825 to 7,407,000 in 1826, thenceforward fluctuated between seven-and-a-quarter and eight million gallons up to 1838, and later increased further. In order to meet the competition of the new alehouses the older licensed ones pushed the sale of spirits, and many developed into "gin palaces."

It was at the time of this renewed wave of social demoralisation by drink that the modern British temperance movement grew into importance.

The beginnings of the temperance movement are somewhat obscure, but they appear to have been associated with the great Evangelical movement of the end of the eighteenth and the beginning of the nineteenth century in which the Wesleyan Methodists were distinguished leaders. Evangelicalism both vitalised and democratised religion, it called upon men and women of all classes not

merely to save their own souls but also to help to save the souls of others. Militant fervour of all sorts demands an adversary ; religious fervour demands outward expression, sometimes in sumptuous ceremonies, sometimes in distinctive attire, sometimes in ascetic self-denial. In the new communities of Methodists, and in the older communities of Protestant Dissenters like the Congregationalists and Baptists, which were speedily enthused with the same spirit and which also had mainly a working-class membership, it was natural that among the ghostly adversaries against whom the Holy War was waged, the "Demon Drink" should be foremost ; and that the acceptance and observance of a pledge of abstinence from strong drink should be, next to Sunday observance, the most widely accepted symbol of a new spiritual life.

It was accordingly among these Dissenting communities that the movement for pledged abstinence began. When, about the beginning of the nineteenth century, abstainers began to coalesce into small local abstinence societies, and the form of the pledge to be a matter of consideration and consultation, it was at first usual to make it a pledge against the drinking of spirits only, beer and cider being permitted. This decision was practically necessitated in most places both by the difficulty of substituting other drinks and by the state of public opinion. No more thoroughgoing Evangelical could be found than Thomas Fowell Buxton, the leader of the anti-slavery movement in 1830, but he had previously been throwing himself with enthusiasm into the task of increasing the output of a great East End brewery, and improving the quality of its beer.

In America the temperance movement began to take a more highly organised form in 1826, with the formation of the American Temperance Society, In 1829 Ireland followed suit, with the Ulster Temperance Society. In 1830 the movement spread to the north of England, and in 1831 the "British and Foreign Temperance Society"

was formed, with the Bishop of London (Bishop Blomfield) as its President, and Queen Victoria gave this society additional prestige in 1837 by becoming its patron. Immediately afterwards the movement gained its first important legislative success. By an Act of 1839 public houses in London were closed from midnight on Saturday to noon on Sunday. Arrests for drunkenness fell from 21,237 in 1838 to 8,321 in 1844.

Almost immediately the new movement began to split. The more zealous adherents were satisfied with nothing short of total abstinence from all alcoholic drinks. The experience of the country under the Beer Act of 1830 seemed to indicate that it was a mistake to draw a line between spirits on the one hand and wine and beer on the other, condemning the former as pernicious and exonerating the latter. Further, water companies were multiplying, and the proportion of town dwellers who had supplies of more or less pure water laid on in their houses was increasing, although the courts and alleys of the poor districts were served at best by standpipes, or water had to be bought by the pailful from carts. The consumption of tea and coffee also was increasing, and thus teetotalism was becoming practicable for the great majority of the people. The British and Foreign Temperance Society refused to budge from its original position, with the result that the extremists broke away, the Society was crippled, and ceased to exist when Bishop Blomfield retired from the presidency in 1850.

For a time the total abstainers carried all before them. In 1838 a young Capuchin friar, afterwards world-famous as Father Mathew, was induced by the members of a little Protestant society in Cork to take the pledge of total abstinence. From 1839 to 1843 he toured Ireland, making pledged teetotalers literally by the million.

> " In three years the consumption of spirits in Ireland was actually reduced from 10,815,000 gallons to 5,290,000 gallons, and drunkenness practically abolished.

An elderly lady described to me the other day how she travelled through Ireland about that time without seeing a single drunken man, and how striking was the contrast between the perfect sobriety of Cork and the rolling intoxication of Bristol, which met her eyes on landing." [1]

In 1843 Father Mathew came to England, and temporarily put fresh vigour into the campaign, which had already begun to languish. With his departure the enthusiasm for abstinence waned in Ireland, and then died out almost completely under the blows of the great economic disasters which fell upon the island—the potato famine of 1845, the repeal of the Corn Laws in 1846, which killed what had been the great Irish industry of growing oats for the English market, and the ruthless and wholesale evictions which followed upon the passing of the Encumbered Estates Act, by which Parliament gave relief to one class of residents in Ireland, the owners of mortgaged property, at the expense of the rest of the community, judged presumably to be less deserving of sympathy. When the spirit of the people began to shake off the apathy and despair so engendered they naturally devoted their energies to political and agrarian agitation, landlordism and English rule and not whiskey were the enemies recognised.

A less sudden and less complete decline in temperance fervour set in also both in America and in Britain. In America the abstainers were strong enough to carry in 1850 a law of complete prohibition of the manufacture and sale of all alcoholic liquor in the State of Maine, but not strong enough to enforce it ; and so little encouragement did they derive from the experience of Maine that it was not until 1880 that another state (Kansas) ventured to follow the Maine example. In England there was relatively little popular agitation from about 1844 to 1860, but the United Kingdom Alliance was formed in

[1] A. Shadwell, *op. cit.* p. 94.

1853 in order to secure the enactment of a prohibition law for the British Isles similar to that of Maine, and ever since the Alliance has persistently devoted great energy and enthusiasm to this cause, and no doubt will continue to do so for many years to come. An initial success of considerable importance was the enactment of complete Sunday closing in Scotland, and the regulation of Sunday hours of closing for England and Wales, which produced a great reduction in the consumption of spirits.

Meanwhile the popular theory that abstinence was injurious to health and a danger to life was weakening. The Order of Rechabites, a friendly society with membership confined to abstainers, was founded in 1835, and gradually grew to importance, and other similar societies, like the Sons of Temperance and the Sons of the Phoenix, followed and were justified by their financial results. Experience also gradually induced Life Insurance Companies to abandon their original hostile attitude. In 1847 a manifesto was published, signed by two thousand medical men, declaring :

> " I. That a very large proportion of human misery, including poverty, disease and crime, is caused by the use of alcoholic and fermented liquids as beverages.
>
> " II. That the most perfect health is compatible with total abstinence from all intoxicating beverages, whether in the form of ardent spirits, or as wine, beer, ale, porter, cider, etc.
>
> " III. That persons accustomed to such drinks may, with perfect safety, discontinue them entirely, either at once or gradually after a short time.
>
> " IV. That total and universal abstinence from alcoholic liquors and beverages of all sorts would greatly contribute to the health, the prosperity and morality, and the happiness of the human race."

About 1860 the total abstinence agitation revived. For a decade wages had been rising rapidly, the consumption of alcohol rose with wages, drunkenness and deaths from alcoholism once more were increasing. The clergy of

the Church of England were stirred by the circulation among them of over ten thousand copies of Mrs. Wightman's book *Haste to the Rescue*, while a wider public was reached by Mrs. Henry Wood's story *Danesbury House*, also published in 1860. In 1862 the " Church of England Total Abstinence Society " was formed, which, however, in the next year changed its name to the " Church of England Temperance Reformation Society," and later was reorganised as the " Church of England Temperance Society." Under Cardinal Manning's leadership a similar society was formed in the Roman Catholic Church, while of the Protestant Dissenting sects it might almost be said that they accepted the teaching of Mahomet with regard to wine, rather than that of the Son of Man, who came eating and drinking ; as they had also adopted the teaching of the Pharisees with regard to the Sabbath, by a similar choice. Especially this is true of the Salvation Army.

The revived agitation had at first little success in the legislative field. There was no decrease, but an increase in the facilities for procuring drink. In 1860 the system of Grocers' Licences was introduced, enabling middle-class people to buy what they wanted without visiting the public houses. In 1866 the Working Men's Club and Institute Union was formed, to which thousands of clubs are now affiliated, where the members, who pay a trifling annual contribution, can sit at ease, play indoor games, hold lectures and concerts, and enjoy a glass of beer if so disposed. Both of these developments were abhorrent to the temperance extremists. With regard to grocers' licences, it can hardly be said that they were either intended to promote temperance or that they tended to do so. Their chief social effect, probably, was to lower the social status of the public houses, and to make them more exclusively the resort of the working class, thus widening the gap between the classes. Well-conducted clubs on the other hand are a civilising agency,

and promote temperance by increasing the amenities of life, and providing a counter-attraction to the public house ; but, unfortunately, not all clubs are well conducted.

At last in 1872 the moderate temperance party was reorganised by the resolve of the Church of England Temperance Society to offer its members the alternative of a total abstinence pledge, or a pledge merely to work for temperance. This practically debarred it from any strenuous advocacy of total abstinence among adults, and even more from agitation for prohibition ; and accordingly its energies were available for effort along other lines, particularly the combating of conditions which conduce to excessive drinking. By its moderate and liberal policy it was able by degrees to enlist in the temperance cause almost the full force of the episcopal organisation. With their Majesties the King and Queen as Patrons, the Archbishops of Canterbury and York as Presidents, and the forty Diocesan Bishops as Vice-Presidents, it exercises an influence far greater than any other society.

Important Acts with regard to licensing were passed in 1869, 1872 and 1874. The Act of 1869 reversed the policy of the Beer Act of 1830 by bringing all retail trade in wine and beer within the scope of control by the Licensing Benches ; those of 1872 and 1874 contained, *inter alia*, the regulations still in force with regard to the conduct of licensed houses—prohibition of sale of spirits to persons under sixteen years of age, of selling drink to constables, or permitting gambling or drunkenness on the premises. These measures, however useful, were rather expressions of the general movement for efficient maintenance of order than concessions to the organised temperance societies. These recognised by degrees " the inevitability of gradualness " ; whether complete prohibition was, or was not, their ultimate ideal, they saw that to make any approach to it, less drastic measures, on which they could all unite, must be put in the forefront of their programme.

The selected measures were Local Option and Sunday Closing, to which later the control of clubs was added.

In 1881 Sunday closing was enacted for Wales, with somewhat doubtful results. The whiskey-drinking Scot can buy a bottle on Saturday to tide him over the day of abstinence; the working man who favours draught ale cannot so easily lay in his own cask—there are usually too many difficulties in the way of lack of space, cash or credit, and wifely consent. In the thickly populated areas of South Wales co-operative purchase was the favourite device, and Sunday closing brought into existence a great number of beer-drinking clubs. On the whole it is very doubtful whether complete Sunday closing, as distinct from strict limitation of the Sunday hours of sale, does not tend to increase rather than to decrease drunkenness.

The agitation for Local Option has had a similar measure of partial and unsatisfactory success. In 1913 an Act for Scotland was passed allowing parishes, small towns, and wards of large towns to vote for no licence, no change or reduction of licences, a 55 per cent. majority being required to carry "no licence," but very few areas have "gone dry." Under Sir William Harcourt's leadership the Liberal Party adopted the cry for the General Election of 1895, with such disappointing results that no political party has since ventured on effectively pledging itself to Local Option for England and Wales.

The defeat of the abstainers gave the brewers their opportunity. During the long struggle with its enemies "The Trade" had organised itself for defence. One great business after another converted itself into the joint stock limited liability company form, with the capital widely diffused among great numbers of shareholders. As the Liberal Party had allied itself with the advocates of restriction, the Trade naturally looked for defence to the Conservative Party, which always is, both by principle and tradition, tender towards vested interests. The

Conservative Party having come into power as the result of the General Election of 1895, secured a second term in the " Khaki Election " of 1900, and it made use of the opportunity to pass in 1904 a measure of reform acceptable to the brewers and distillers. Among the demands put forward by temperance agitators, that for a reduction in the number of public houses was prominent. On temperance platforms the story was repeatedly told of the man whose way home from work took him past twenty public houses ; on pay day he could pass by nineteen, but the twentieth was one too many ; and week by week he came home drunk with empty pockets. The naive expectation was held that a 5 per cent. reduction in the number of licences would effect at least a 5 per cent. reduction in the consumption of drink ; needless to say the brewers did not share this illusion. With their approval, therefore, the measure passed was one for the reduction of licences, with compensation to the licence holder. In this way the licensee was given a proprietary right in his licence, which up to then could be revoked by the magistrates at their discretion, without any reason stated, at any licensing sessions. The compensation fund came out of the taxes—nominally out of an extra tax on spirits, but in effect out of the public revenue, since if not used for this purpose the money raised would have been available for any other public purpose.

No measure could have been better devised in the interests of brewery shareholders. If an extinguished licence were that of one of the relatively few remaining free houses, the brewers' control of the retail trade was strengthened ; if it were that of a tied house, the brewery company got the compensation, and in addition got an increased profit by carrying on its business at smaller cost. In modern phrase, the industry was rationalised at the cost of the Exchequer. The bar tenders who were thrown out of work *of course* received no compensation.

So the matter rested during the next decade. " The

Trade" was more firmly entrenched than ever; its enemies were angry and disgusted at its ever-increasing profits, but they were made impotent by their own divisions. The extremists regarded the moderates almost as traitors; the moderates considered the extremists the greatest obstacle to reform.

The outbreak of the War completely altered the situation. In the extremity of national danger even the most powerful vested interests had to submit to control. It was a sufficiently serious matter that food values should be wasted by the use of grain for brewing and distilling; but that was relatively unimportant in comparison with the loss of working power through drink at a time when the production of munitions and necessary goods had to be speeded up to the highest pitch. Complete prohibition for the period of the war was seriously considered, but rejected; and the regulations actually imposed aimed at (1) reduction in the amount of fermented and distilled liquor produced, (2) reduction of the strength, (3) such a curtailing of the hours of sale as would cause the liquor drunk to be taken with food rather than otherwise, in order to minimise the physiological effects of absorption of alcohol. The effectiveness of these regulations is shown by the following figures of statistics for 1918 expressed as percentages of the corresponding figures for 1912 and 1913.

Mean of Years.	Consumption.		Arrests for Drunkenness.		Deaths from Alcoholism.	
	Beer.	Spirits.	Men.	Women.	Men.	Women.
1912 and 1913 -	100	100	100	100	100	100
1918 - -	36	48	15	22	22	12

In other words, while the consumption of alcohol was reduced to less than half the pre-war amount, the amount of drunkenness was reduced to one-fifth.

Other countries, belligerent and neutral, had been forced by the war to take exceptional measures to curb the trade in alcohol ; the results generally being highly satisfactory. With the termination of the war the question of future policy had to be considered, both in Britain and elsewhere, in the light of this new experience. Prohibition became a live issue, and an achieved fact in Iceland, Norway, Finland, Russia, Canada, and over the whole of the United States of America. In Iceland it has since been abandoned under foreign pressure ; in Norway and Canada also, through dissatisfaction with the social results ; in Russia the reasons for its abandonment are not clear, except that revenue considerations had weight. In Finland prohibition is still maintained, but the reports of its working tell of wholesale evasion and much drunkenness. These reports presumably are misleading, otherwise it is hard to understand so level-headed a race as the Finns persisting in the experiment.

America's experience is far longer and more instructive. Its interpretation needs some care, as information comes almost entirely through violently biassed channels, and it is necessary to sift out the indisputable and admitted facts from a mass of contradictory or apparently contradictory statements.

As long back as 1850 Maine enforced prohibition, successfully as far as the inland rural population was concerned, but not successfully on the coast. The conclusion drawn by Rowntree and Sherwell from Maine experience was that " Prohibition does not prohibit," and therefore could not be recommended for the United Kingdom. In 1880—thirty years later—Kansas followed the example of Maine, with results much more completely satisfactory. Then, again, there was a long interval before other States came in ; but between 1907 and 1919, 31 more States " went dry," so that when the Eighteenth Amendment was carried 33 States out of 48 had already enforced prohibition within their own borders. With the entry of

America into the war brewing of beer was stopped throughout the Union from 1st December, 1917.

We therefore can get some idea of the broad effect of widespread but partial prohibition by comparing the figures for consumption during the periods before and after the year 1907. They are as follows :

QUINQUENNIAL AVERAGES OF PER CAPITA CONSUMPTION.[1]

Quinquennium.	Beer, gals.	Spirits, gals.
1898-1902 - - -	16·1	1·25
1903-1907 - - -	18·7	1·47
1908-1912 - - -	20·0	1·41
1913-1917 - - -	19·0	1·43

It will be noticed that before 1907 the consumption of beer and spirits was increasing. Prohibition stopped that increase, but did not avail to produce any marked diminution in consumption—the 19·0 gallons of beer and 1·43 gallons of spirits consumed in 1913-1917 contained not quite as much, but nearly as much, alcohol as the 18·7 gallons of beer and 1·47 gallons of spirits consumed in 1903-1907. In view of the rapid growth of the great cities, and the immigration from whiskey-drinking Ireland, beer-drinking Germany, and wine-drinking Italy, it was a partial victory to have halted the consumption. As long as Prohibition was confined to individual States, though these were the majority, alcoholic drinks could be imported from " wet " states into " dry " ones. The inference, for all who believed in the promotion of temperance by coercive measures, was clear—Prohibition must be enforced throughout the Union by Federal legislation, for which an amendment in the constitution was required. War restrictions and war experience paved the way ; the Eighteenth Amendment was carried, and

[1] These and subsequent statistics given in this chapter are taken from Dr. H. M. Vernon's *The Alcohol Problem* (1928).

the Volstead law prohibiting the manufacture, importation or sale of any beverage containing more than one-half of one per cent. of alcohol was passed in time for enforcement from January 1920.

The immediate results of this "great moral gesture" were such as to fill British abstainers with admiring envy, and to make them declare that mere commercial competition would compel other industrialised States to follow the American lead. In New York, for example, the arrests for drunkenness of men were 14,268 in 1918, and only 3,361 (one-fourth) in 1920; those of women 2,111 in 1918, and 412 (one-fifth) in 1920. Deaths from alcoholism were reduced by 60 per cent. Throughout the States affected "saloons" were closed, working men worked more steadily and effectively, they earned more money and handed over a larger proportion of their earnings to their wives, whose increased spending kept the factories busy. There were other causes contributing powerfully to the great economic prosperity of the American workers at the time, and it is impossible to estimate how great was the economic benefit due to the reduction of consumption of alcohol, but that it was very considerable is beyond reasonable doubt. In the winter of 1921-2 Mr. Johnson ("Pussyfoot"), touring India, was able to speak of prisons closed for want of occupants, and opponents of Prohibition converted by experience into advocates, and to create a strong Indian movement for Prohibition. It was admitted that there was evasion, and that old topers who had money enough were still getting drink, and on occasions getting drunk; but it was believed that the rising generation would grow up without even knowing the taste of beer or wine, and free from the craving.

Very soon, however, the trade in alcohol was reorganised to meet the altered conditions. Arrests for drunkenness crept up to the old level; in New York, for example, in 1925 they numbered 15,356 of men, 1,054 of

women, *i.e.* in total just 31 more than in 1918. Deaths from alcoholism positively increased, both in the States which before 1920 had been wet and in those which had long been dry. In Kansas the alcoholic death rate was doubled ; in Massachusetts the deaths were, in 1918, 111 ; in 1920, 59 ; in 1922, 238 ; in 1923, 286. Closing of prisons for lack of criminals soon ceased ; on the other hand overcrowding led to riots and mutiny, and following his election in 1928 President Hoover had to ask for a grant of a million pounds to enlarge them. The number of prisoners in the federal prisons was 8,927 on 30th June, 1917 ; 18,788 on the same day of 1927. In 1925 the American Episcopal Church Temperance Society sent out a *questionnaire* to 20,000 members, and on the basis of their replies came to the conclusion that the law should be modified in the direction of relaxation. It judged that Prohibition tended to discourage temperance teaching, to increase of drinking among young people, to the replacement of wine and beer by spirits, and so to the increase of intemperance, and to a disrespect of all law.

The membership of the American Episcopal Church is not a fair sample of the whole population ; socially it is too well-to-do, geographically too much concentrated in the older maritime states to be typical. Protestant Churches in America generally continue to stand by Prohibition, and on the whole the voting in the Presidential election of 1928 appears to indicate that the majority of voters are of the same opinion, though the issues were so confused that this cannot be stated with certainty. What, however, appears to be clear is that the present state of affairs in the great cities inhabited by composite populations is intolerable. The two candidates for the Presidency offered the Union a choice between stringent enforcement and mitigation of the law, and America chose the former. Perhaps it would be better to have both ; and it will not be surprising if the Volstead Act is amended before 1932,

at least to the point of permitting the sale of non-intoxicating beer, beer, that is, with an alcoholic content of less than 3 per cent.

To sum up American experience, we may say with confidence, in the first place, that the policy of Prohibition has been a success from the economic point of view. Dr. Vernon calculates that it has reduced the consumption of alcohol to about 10 per cent. of what it was. This estimate is probably too optimistic, but even so it implies that millions of working-class families are happier and more prosperous. On the other hand it seems to be equally certain that by making a very profitable trade into a crime it has, in the great cities, increased crime of all sorts, by further corrupting the police and by making the organisation of crime a field for big business. It has produced the bootlegger, in whose train comes the hijacker ; and has fostered a trade in deadly drinks made out of denatured alcohol, indulgence in which leads straight to lunacy and death.

At the moment when America was enacting complete prohibition Britain was relaxing war-time restrictions on manufacture and sale. The immediate effect was a great increase in consumption of beer and spirits, of drunkenness and of deaths from alcoholism, though the pre-war level was not reached. Subsequently there was an improvement. The table below sets out the statistics expressed as percentages of the figures for 1912 and 1913.

Mean of Years.	Consumption.		Arrests for Drunkenness.		Deaths from Alcoholism.	
	Beer.	Spirits.	Men.	Women.	Men.	Women.
1912 and 1913 -	100	100	100	100	100	100
1918 - -	36	48	15	20	22	12
1920 - -	75	69	53	43	42	20
1925 - -	63	47	42	35	26	20

The consumption of beer has decreased since 1920, that of spirits decreased relatively to that of beer ; drunkenness has decreased in greater measure than consumption, and deaths from alcoholism are fewer than one-fourth of those of the pre-war years. It is probable that as the police now have far fewer opportunities than before the war of arresting " drunks " they let fewer of those opportunities slip ; if so, the reduction in the number of arrests by about 60 per cent. understates the actual diminution in drunkenness.

These figures are obviously very hopeful and encouraging, since the progress in temperance has been achieved with a minimum of coercion and friction, being the result of a healthy change in public opinion and sentiment. But, viewed from the economic standpoint, the situation is by no means satisfactory. In 1928 the drink bill for Great Britain and Northern Ireland amounted to £288,200,000, out of which £124,150,000 was tax. This is an expenditure of over £6 per head per annum ; of just 10s. per week for a family of husband, wife and two children, which consumes the average *per capita* amount. At present prices ten shillings a week does not come to very much reckoned in glasses of beer and whiskies and soda, but it is a great deal more than the masses of the people can properly afford ; and the shifting of a great part of this expenditure into other channels would give us a better fed, better clothed and better housed population. Moreover, it must be noted that out of that portion of the total expenditure which does not go in taxes, which in 1928 was £164,000,000, an inordinately large proportion goes in profits, and an exceptionally small proportion in wages. Hence, increase in temperance, merely by shifting the incidence of demand, tends directly to reduce unemployment.

Whatever the Americans finally decide to do in the matter of Prohibition, whether to persist in their valorous efforts to enforce it effectively, meeting with equal

ingenuity every subtle device of the bootlegger, or on the other hand to allow it to become a dead letter in those districts where it is not strongly supported by public opinion, English observers are undoubtedly predominantly of opinion that with us Prohibition would not have yielded as good results as the policy which has actually been followed in the post-war years. Our police are a fine body of men, perhaps the best in the world, but they are human and liable to fall into temptation, and the great majority of them hold beer-drinking in moderation to be no sin, but a pleasant and wholesome means of refreshment. To lay upon them the duty of suppressing the traffic would tend to approximate their moral standards to those of the police forces of New York and Chicago, and once their high standard is broken down it will be the work of years to restore it. On the other hand to entrust the enforcement of the law to a new body of specially recruited officers, select enthusiasts for teetotalism, giving them the wide powers entrusted to the corresponding force in America, which apparently include shooting down men and women on suspicion, would, we may hope, never be tolerated in Britain.

In these circumstances attention has naturally been directed more and more to the question whether the best solution of the problem is not to be found in some application, either through public or voluntary agencies, of the principle of Disinterested Management. This was advocated in 1899 by Rowntree and Sherwell on the basis of foreign experience, which is apt to be misleading, and which need not be examined here as we now have experience of our own.

The first experiment in our country was at Hampton Lucy, a Warwickshire village of some 460 inhabitants, no railway station, and one public house, the Boar's Head. Canon Mordaunt, on becoming rector of the parish, found himself the sole trustee of the property, which had been bought by the preceding rector as an endowment to defray

the cost of an organist's salary. He found it was not being conducted well, so in 1876 he took over the management himself. He put in a trustworthy married couple as salaried managers, stopped the sale of spirits, and took pains to supply good beer, which was found to be a matter of no small difficulty. The managers got no profits on the sale of beer, but all the profits that accrued from the sale of food and non-alcoholic drinks. There seems to be no dispute that the results have been entirely satisfactory.

Three voluntary associations now exist for the purpose of applying the same principle more widely : The People's Refreshment House Association, formed in 1896, with the Bishop of Chester as Chairman ; the Central Public House Trust Association, to which many Public House Trusts are affiliated ; and Trust Houses, Ltd. These together control about six hundred licensed houses out of a total of about eighty thousand. In the relatively few places where the Trust Houses have something like a local monopoly they can effect considerable social improvement ; where they have to compete with the ordinary public house their influence is probably negligible.

Far more significant is the case of Carlisle,[1] where over an area of about 500 square miles, with a population of about 140,000, the whole business of brewing, distilling, bottling and retailing is under public control, working on the principle of disinterested management. Within this area one of the greatest of the national munition factories was set up during the war, and soon over 20,000 navvies from all parts of the country were drafted in, housed in whatever way was found possible, and paid high wages, which they scarcely knew how to spend except on drink. Drunkenness naturally increased enormously, and no restrictive measures were found of avail. In these circumstances the Board of Liquor Control which had been

[1] For a full account of the Carlisle experiment see *Control of the Drink Trade*, by the Rev. Henry Carter, 1919.

set up by Mr. Lloyd George found it necessary to take exceptional measures. By degrees over the whole area all the businesses concerned in the drink trade were bought out, the publicans replaced by, or re-employed as salaried managers, receiving commissions of 75 per cent. of the profits on the sale of food, 25 per cent. of the profits on the sale of non-alcoholic beverages, but no commission on alcohol. In 1921 the Board of Control ceased to exist, but the same administration is continued under the authority of the Home Office by a local advisory committee and a resident general manager.

Out of four breweries in Carlisle three were closed, and nearly half the public houses. Others were improved and reconstructed ; facilities for the purchase of food and for indoor recreations were increased, advertisements of ales and spirits swept away, sale of spirits by grocers was abolished—out of the ten shops which had such licences, the licence was withdrawn from seven, and the sale of groceries from the other three. Temporary restrictions imposed during the war have, as elsewhere, been relaxed, though the hours of opening (in 1925, 11.30 a.m. to 3.0 p.m. and 5.30 to 10 p.m. on weekdays, 12 to 2 p.m. and 7 to 10 p.m. on Sundays) are somewhat more restricted than in most licensing areas.

Under this administration the public houses have become far superior to those in the rest of the country in cleanliness, comfort and conduct. Dr. Vernon describes the one he considers the best of all :

> " At the chief inn " (at Annan) " there is a large hall, half of which is used for serving cheap meals, whilst there is a drinking bar in the middle portion and a billiard saloon with four tables at the other end. There is a cinema in a separate building. Outside there is a bowling green, a putting green, and a place for playing quoits. I was told that as many as 500 men might be watching a quoit competition, and not half a dozen extra drinks would be ordered by the spectators or players. Drinks were not allowed outside the build-

ing. The men had to go inside, and they could only get beer and wine there, except on Saturday nights, when spirits were sold in addition. However, this concession was utilised but little, only about a quart being sold in an evening. On market day many farmers came to Annan and took their wives to the inn. They had lunch and a single glass of beer, whilst in pre-war days it was not unusual to spend the afternoon taking drink after drink." [1]

Financially the scheme has been a complete success. During eleven years assets were accumulated of a net value of about one million pounds, without taking a penny from rates and taxes.

The best statistical test of its value for temperance is supplied in the following table :

RELATIVE NUMBERS OF CONVICTIONS FOR DRUNKENNESS.

	Carlisle.	England and Wales.
1912 and 1913	100	100
1916 - -	384	45
1924 and 1925	29	41½

Naturally the very name of Carlisle has become abhorrent both to temperance extremists and to the Trade. To the former the idea that people should be tempted by cheap meals, billiards, wireless, comfort and cleanliness, to enter premises in which a glass of beer can be bought and drunk is revolting ; to the latter, equally revolting is the idea that the profits should be used for the common good instead of going to brewery shareholders. On the other hand the Chief Constable and the Bishop of Carlisle, who are both emphatic in their approval, appear to have with them the preponderance of disinterested local opinion.

[1] *The Alcohol Problem* (1928), p. 123.

If, with these two gentlemen, we conclude that the principle of Disinterested Management is sound and helpful, there is no reason why similar experiments should not be multiplied indefinitely in other parts of the country. The conditions of success are clearly (1) monopoly over a considerable area, (2) a first-rate general manager, and (3) a good local committee.

This, with other issues, has now been referred to a Royal Commission, from which we may expect, in due course, a great mass of detailed information, relevant and irrelevant, and an assortment of conflicting reports, reservations, and minutes of dissent. Brewery and distillery shareholders are as yet undismayed.

CHAPTER XIII

BETTING AND GAMBLING

THERE can unfortunately be little doubt that betting and gambling are at the present time serious social and economic evils, productive of much poverty, misery and degradation, tending to coarsen the moral fibre of the community as a whole, and breeding a host of noxious parasites in the body politic. It is a vice which has grown rapidly of late years, especially since the war ; it has thriven even on the poverty due to unemployment, as shillings are extracted from the dole to be put on horses and dogs, in the hope, generally delusive, that the weekly sum provided for necessities can thus be made to cover extra indulgence ; and it is now probably more widely diffused among all classes of the population than ever before. The working man who gambles is too often apt to treat his workmates to drinks when he wins, and to drink in solitude for consolation when he loses ; in either event to be almost unbearable at home ; to waste his energies during working hours in studying " form " and the " odds," and the merits of " tips." In the opinion of some investigators the total amount of social injury due to betting and gambling even exceeds that properly attributable to drunkenness. It frequently leads to such crimes as theft, and misappropriation of money ; and undoubtedly, under the present law, to corruption of the police. It is not surprising, therefore, that there should be a growing demand for fresh anti-

gambling legislation, and that this agitation should have been stimulated by the appearance of the new " sport " of greyhound racing.

But how can " gambling " be defined ? In the broadest sense it means incurring a risk for the sake of gain. In this sense all new enterprise is a gamble ; the farmer gambles in sunshine and rain and prices whenever he sows a field ; matrimony is a gamble, so is the choice of a trade or profession, and being born is the greatest gamble of all. The first task, therefore, of the anti-gambling crusaders is to define gambling in such a way as to include all reprehensible forms, and no others. Canon Peter Green, a distinguished leader in the movement, after discussing and rejecting various other definitions as either too wide or too narrow, suggests " An agreement between two parties whereby the transfer of something of value from one to the other is made dependent on a certain event, in such a way that the gain of one party is balanced by the loss of the other." [1]

This perhaps is as good a definition as can be obtained, but unfortunately, taking the words in their ordinary senses, it covers insurance as well as gambling. If I insure my house against fire, I enter into an agreement with another party whereby the transfer of a sum of money from that other party to me is made dependent on the uncertain event of the house catching fire, and the gain to me of receiving what I get is balanced, so far as the money is concerned, by the loss to the Insurance Company. So far the transaction is, in the features specified, exactly analogous to backing an outsider to win the Derby. Naturally it will be replied that in such an argument the psychological element is left out, that the insurer gains a sense of security which is not balanced by any corresponding loss to the Insurance Company ; but here again the retort can be made that the man who backs horses gains a feeling of excitement and adventure, which meets

[1] *Betting and Gambling*, published by the Student Christian Movement.

what is for him a psychological need, just as much as a sense of security is to another. The difference between an insurance and a gambling bet is in fact one of motive only ; in form the two transactions are identical, in spirit diametrically opposite. The Canon's definition, therefore, needs to be amplified by the addition of words stipulating that the underlying motive of the one who takes the initiative must be reprehensible. But who will venture to say that the desire for security is always admirable, and the contrary desire always reprehensible ?

Insurance is a hedging bet, hedging bets and gambling bets are identical in form, and the law, in stigmatising some acts as offences and others as innocent must classify them by their forms. When a man buys or sells futures on the Liverpool Cotton Exchange, he may be gambling or he may be protecting himself against too great a loss in the event of a rapid movement of prices. Almost 90 per cent. of the transactions on the Stock Exchange, it is said, are pure gambling, and only about 10 per cent. purchases of stocks for investment. The nominal insurances at Lloyd's are frequently gambles. It is impossible for the law to prohibit gambling on stock and produce exchanges, but it is just as reprehensible, and perhaps even more economically, socially and morally injurious to the nation than betting on horse and dog races, on football matches, and on cards, all put together. To set the police to harry those who indulge in one form of the vice, while there is not even any social censure for those who indulge in other forms, is sheer hypocrisy, analogous to that of the American capitalist who tells you that he is " personally wet but politically dry."

Gambling is no doubt as old as civilisation. Those national institutions of ours with which betting and gambling are specially associated have, however, a comparatively recent history. Horse-racing was practised on Smithfield as early as the twelfth century, but it was

then incidental to the sale of horses. Later it became subsidiary to breeding. The York meeting is said to have existed continuously since 1607, racing at Newmarket since 1625. Of the "classic" races, the St. Leger, Derby, and Oaks date from the eighteenth century, the Ascot Gold Cup, the Goodwood Cup, the Two Thousand, and One Thousand all from the seven years, 1807 to 1814, the period of the Peninsular War. This was no mere coincidence, since Wellington relied largely on cavalry officers mounted on swift horses for scouting work, and he might reasonably have said that his victories in the Peninsular campaigns were won at Epsom and Newmarket.

The end of the Napoleonic wars appears to mark the time when horse-racing became subsidiary to gambling. In 1839 the Cesarewitch and Cambridgeshire were instituted, and from that time new races have almost invariably been handicaps, handicapping being a device to increase the uncertainty of a race, and to make it more attractive as a spectacle, though less useful as a guide to the breeder than a weight for age race, or a race for horses or mares of a particular age.

Gambling in stocks and shares has been rampant as long as there have been stocks and shares to gamble in, witness the South Sea Bubble of 1720. But the Stock Exchange only came into existence as a separate institution in 1773, when a number of stockbrokers left the Royal Exchange (founded by Gresham in the time of Queen Elizabeth) where previously such business had been done, and formed a club of their own in Sweeting Alley, Threadneedle Street, afterwards migrating to Capel Court. Speculation on the Stock Exchange was sufficiently developed in the beginning of the nineteenth century for a Rothschild to make a great coup by getting the earliest information of the result of the battle of Waterloo. It got an impetus during the various railway manias, particularly through the instrumentality of

Hudson, "the Railway King." But gambling on the Stock Exchange only became permanently an important feature in social life in consequence of the Act of 1861 permitting limited liability for all sorts of joint stock companies, since which date there has been a rapid and increasing growth in the number and variety of the shares dealt in, with intensified gambling during each recurring boom in a particular market.

Lotteries under the sanction of the State in order to raise funds for public purposes became a feature in the national life in the time of Queen Elizabeth, by whom they were authorised generally for the repair of harbours and "such other public good works." A statute of 1698 withdrew the general authorisation, prohibiting lotteries generally as common nuisances, but State lotteries continued, and local lotteries from time to time were authorised by special Acts of Parliament. Right through the eighteenth century the proceeds of the State lotteries contributed appreciably to the revenue, but in the nineteenth century a Select Committee reported that "no mode of raising money was so burdensome, so pernicious, and so unproductive as lotteries, and the committee questioned whether any pecuniary advantage, however large or convenient, would compensate for the vice and misery they produce." This method of raising money was accordingly abandoned in 1823, and, in spite of occasional agitations for the raising of loans under the "premium bond" system, it has never been revived in Britain.

It is unnecessary to remark that every form of competitive sport which becomes widely popular attracts the gambler and the bookmaker. Bicycle racing in the last century partly owed its quick decline from popularity to this cause; greyhound racing, on the other hand, apparently owes whatever popularity it enjoys to the opportunities it offers for betting. The great national "sport" of the twentieth century being

watching football matches, the professional form of the game has produced its own gambling organisation. "According to statistics twenty million football coupons pass through the post every week during the season. The couponeers pay in stamps £4,375,000. There is about as much chance of winning one of the big prizes as there is of a tortoise winning the Croydon to Calcutta cup"—thus "Casey" in the Glasgow *Forward*,[1] writing no doubt without meticulous care for merely formal accuracy.

The evolution of the law with regard to gambling curiously reflects various stages in the national life. It began in the reign of Richard II, when the French war, which had begun half a century earlier, marked in its earlier years by the victories of Sluys and Creçy, and the capture of Calais, was dragging on through monotonous years of defeat on land and sea, during which the forces of the English kings were driven out of their great inheritance of Aquitaine, the fleets of the Cinque Ports were crushed, and the shores of England exposed to French ravages. In 1388, as a sort of despairing effort to increase the military strength of the country, an Act was passed forbidding artificers, labourers and serving-men to play such games as football, quoits, and putting the stone, as well as at dice, and ordering them instead to procure bows and arrows and spend their leisure time practising archery. A similar law with the same purpose was enacted in 1542, towards the end of the reign of Henry VIII. Nearly a hundred years earlier, at the battle of Formigny in 1450, it had been proved that bows and arrows were obsolete as against firearms, but this fact was apparently not yet known to what Government department served as a War Office. The games prohibited by that statute included "tables, tennis, dice, cards, bowls, clash, coyting and loggetting." Cards had been invented in the previous century to amuse the King

[1] 31st August, 1929.

of France who became Henry V's father-in-law. It is interesting to note that it should have been thought worth while to prohibit so aristocratic a game as tennis to working men, as the possibility of their ever getting a game must have been remote. Of the other games mentioned, " coyting " is presumably quoits, " tables " is the old name for backgammon, " clash " or " closh " is an obsolete game played on a ground somewhat longer than a skittles alley, in which a bowl was driven by something like a croquet mallet, probably through a distant hoop, and " loggetting," or " loggatting," is another obsolete game in which loggats (presumably small logs) were thrown by the players at a stake fixed in the ground, the loggat which fell nearest the stake winning. Other laws against such games were passed from time to time under the influence of the growing Puritan movement during succeeding centuries.

After the Restoration, when the power of Parliament exceeded that of the Crown, and legislation was dictated more by the interest—or supposed interest—of the land-owning aristocracy than by that of national defensive power, we get a series of laws intended to safeguard the moral welfare of young men of property. In 1665 a law was passed against " deceitful, disorderly and excessive gaming " ; in 1698 one against lotteries. A very curious betting law was enacted in 1711. It provided that if ten pounds or more changed hands as the result of a bet the loser was to institute a suit for the recovery of the sum paid, and if he failed to do so within three months any third person could recover from the winner three times the amount of the stake, with costs. It is obvious that this put a very effective weapon in the hands of a stern father when a prodigal son had to confess impecuniosity as the result of gambling debts. A less ingenious law, which one would guess could not have had any effect, was passed in 1745, imposing a fine in the event of ten pounds or more being won or lost at one time, or twenty pounds

within twenty-four hours, of five times the amount, the fine going to the poor.

In the nineteenth century the legislature became much more concerned for the morality of the working classes. In that spell of moral earnestness which we call the Early Victorian Age, which dates from 1832, the old laws with regard to gaming were revised. Cock-fighting and bear-baiting were prohibited and prize-fighting fell into disrepute. On the other hand the prohibition of games of skill in the Acts of 1388 and 1542 was repealed. The Act of 1845 made gambling debts in all cases irrecoverable ; previously under common law gambling contracts had been enforceable except when they were, in the opinion of the court, contrary to public policy.

The main Act with regard to betting is that of 1853. As subsequently amended it imposes a penalty of fifty pounds and costs or gaol for twelve months for keeping a place to which the public can resort for the purpose of betting, with a special penalty for advertising. As interpreted by the House of Lords in cases which came before it on appeal, the law does not apply to clubs like Tattersall's or to the betting rings at racecourses, these not being " places " within the meaning of the Act. Nor does it apply to the office of a bookmaker who deals with his clients through the telegraph, telephone or post, on the ground that people do not " resort " to his office for the purpose of betting unless they go there in person, taking the cash with them. It would appear that as long as a bookmaker receives his clients' money in the form of cheques he is a good citizen, but if he takes it in the form of banknotes or coin he is a criminal who should be promptly gaoled. The practical result is that the rich man may bet as much as he likes, neither he nor his bookmaker being interfered with ; but the bookie who takes shillings and half-crowns from factory hands or servant-girls must pay blackmail to the police. The laws against betting in public-houses, against betting with infants

(1892), and against loitering in streets to carry on betting (1906), subsequently carried, bring betting still further within the scope of police duties.

The present law is about as bad as it can be, almost entirely ineffective for good, but potent for evil, as all hypocritical attempts by the governing classes to impose a stricter code of morals on the masses of the people than they are willing to accept for themselves must necessarily be. When Parliament imposed a tax on betting it appeared as though the issue of reform of the law had been raised effectively. To tax betting implied logically that it should be recognised, legalised, licensed and controlled by means analogous to those applied to the sale of drink, and thus brought into the open, with a reasonable hope that it might thereby be effectively discouraged. Unfortunately the opportunity was lost. The moral issue was shirked ; the tax was declared to have no purpose but that of revenue, and from that point of view it was so clumsily arranged as to become in effect a tax, not so much on betting as on honesty among bookmakers. Naturally it has since been abandoned, as it elicited insufficient approval from the general body of moderate opinion to support it against the combined attack of the bookmakers and the anti-gambling extremists. The result appears to be a deadlock. All attempts at making the existing law effective, or at extending its scope, will pretty certainly fail ; on the other hand, after Mr. Winston Churchill's failure, no statesman is likely to attempt to mitigate the betting evil by a system of licensing and taxing.

Meanwhile there can be no doubt of the seriousness of those forms of the gambling habit which the existing law is designed to combat. Estimates of the direct injury through financial loss can hardly be more than guesses in the dark. Canon Peter Green has taken pains to get as accurate a statement as possible. His estimate of the amount of money annually staked on horse-racing and

football is £160,000,000 on the former,[1] £80,000,000 on the latter, out of which he estimates that about £60,000,000 comes back to the backers, and £180,000,000 is lost to them, to cover the costs and yield the profits of the bookmakers. If so, the nation is actually spending more on these two forms of gambling alone than on alcoholic drink, apart from the tax revenue from the latter.

He further estimates that by inducing waste of time, bad work, spoiled material, and friction, gambling among all classes of workers reduces the national output by at least 20 per cent. ; that it is a heavy burden on the trading community by causing bad debts among shops which give credit to working-class customers ; and that it is beyond all comparison the most fruitful source of crime, leading directly to something like 100,000 cases of theft, bankruptcy, and suicide per annum. In reply to this last contention it was pointed out that only some 54,000 cases of theft per annum come into the courts. To this the Canon answered that not one case in ten comes into court ; when an employer discovers a theft he commonly discharges the culprit and abstains from prosecuting. This contention appears to agree well with common observation, and an estimate that one case in five (100,000 odd out of 500,000 odd) of theft is due to gambling does not, on the face, seem improbable. Not even drunkenness, he believes, is to so great an extent the cause of misery to wives and children ; and he further

[1] Lord d'Abernon, speaking as Chairman on 4th December, 1929, at the annual meeting of the Thoroughbred Breeders' Association, gave a much larger estimate, as follows :

Betting on racecourses, coming under the notice of tax authorities	£45,000,000
Betting on racecourses, eluding taxation, *not less than*	22,500,000
Total course betting, *not less than*	£67,500,000
Betting not on racecourses, *not less than*	200,000,000
Total Betting on horse-races (per annum)	£267,500,000

points out, what is obvious and undeniable, that betting tends to corrupt every sport it touches, and to spread corruption and demoralisation among the police.

All attempts to deal on other than coercive lines with the problem must be based on a study of its causes. Gambling is a social disease, having its roots in the thwarting, under existing social conditions, of certain sound and healthy instincts, the love of adventure, the craving for the stimulus of hope and fear, the need for interests outside the daily round. As a rule the ancient forms of work are interesting in themselves, or at least interesting if the worker does his work as well as he can, though sufficiently wearisome if he slacks. But the development of highly organised industry, with minute sub-divisions of labour, increases the proportion of workers whose daily task is one of monotonous drudgery, only tolerable so far as it becomes semi-automatic. But even worse, in this respect, than the life of the machine tender is that of the non-worker, the dreary existence of the idle rich and the idle poor. Gambling, given opportunity, appears to be rampant among different classes in proportion to the dreariness of their lives.

Assuming some such diagnosis as the above, Mr. Ramsay Macdonald recommends reliance on such measures as the revival of small scale agriculture by intensive cultivation and co-operation among cultivators, such housing reform as would make the house and garden of the working man a matter of interest and pride to him, a policy of the public fostering of wholesome forms of recreation, and public house reform on the lines of the Carlisle experiment. And, since all these measures are in themselves excellent, it is obviously desirable that the nation should concentrate on carrying them through before indulging in any dangerous measures of coercion.

It should, however, not be beyond human ingenuity to devise measures of restriction which might be useful

without being dangerous. We have noted above that much benefit during the war accrued from measures to check the consumption of alcohol at times of the day when it would ordinarily be taken into empty stomachs. In the same way perhaps there would be a gain if the absorption of the mental poison of betting news and race forecasts could be checked during the ordinary working hours ; if, in other words, the publication of such matter in the morning, noon, and early afternoon editions of evening papers were prohibited. It also seems specially preposterous that credit bookmakers should be allowed to advertise freely, even to the extent of full-page advertisements in weekly papers, though indeed the reflection which must occur to backers that the cost necessarily comes out of their own pockets should make them realise that betting on horse-races is a " mug's game."

But even so slight an interference with the freedom of the press as these prohibitions will only be made possible by a growth of a public feeling against betting and gambling. Is such a movement of opinion in sight ? It is suggested that it may come, like many other changes, through the progress of feminism. Women are progressively winning their rights, the equal right, that is, with men, to vote, to sit in Parliament, to occupy posts in the Civil Service, to enter all professions, to cut their hair, wear comfortable clothes, drink, smoke—and lastly, to make gambling bets. Betting and gambling, we are assured on good authority, are increasing among women and children. Will not this create a revulsion of feeling ? Canon Peter Green records that when speaking at Bolton on the evils of gambling he remarked, " And yet some people say there is no harm in betting," and a man in the crowd cried out, " No more there is." Then the Canon asked, " Do you want to go home and see *your wife* betting ? " and that question brought the desired negative response from the crowd. And as particular fashions in dress cease to please the *jeunesse dorée* when

they are imitated by the *petite bourgeoisie*, so, possibly, a masculine vice may cease to allure when it ceases to be exclusively masculine. There seems to be some foundation for such hopes ; but it must be admitted that these conclusions are mainly negative, merely provisional, and by no means satisfactory.

CHAPTER XIV

LUNACY AND MENTAL DEFICIENCY

Lunacy.—The methods in use in any time or place of providing for the care and treatment of the insane are necessarily determined by the theories current on the causes of insanity. In our own country, during the Middle Ages, the theory of demoniac possession inherited from the ancient world still prevailed ; and the accepted treatment was, therefore, priestly exorcism, a form of care which must often have been very painful to the victim, when the devil in possession obstinately refused eviction. With the passing of the Middle Ages, and the coming of the Protestant Reformation, the wider study of the Old Testament quickened popular interest in demonology and brought about an intensified campaign against witchcraft, which reached a climax in the reign of James I, in which many harmless, but slightly eccentric lone women were cruelly misused and often burned to death. This practice gradually disappeared with the growth of knowledge and of the scientific habit of mind in the eighteenth century. The materialistic outlook which sprang from the study of physical science then caused the medical profession more and more to look for the causes of lunacy in disorder of the brain, arising from such things as accidental injury, poisoning by drugs (by excessive alcohol for example) or by general disease (as syphilis for example), or from hereditary taint. In the twentieth century the researches of Freud in Vienna and of Jung in Switzerland

have thrown new light on the causation of insanity by the exploration of psychical disturbances, the importance of which has been established by the war phenomena of "shell shock," attributed to internal psychical conflict between warring instinctive impulses; and psycho-analysis has been added to the methods of diagnosis. Lastly, the work of the bio-chemist has introduced a series of yet new factors, by researches into the functions of secretions from the ductless glands and their influence on the emotions; into vitamins; and into the effects of a deficiency or excess in the diet of certain inorganic elements, like iodine and calcium. Accordingly, at the present time the task of the mental physician is to co-ordinate the results of the new specialisms with those of older experience in such a way as to arrive at a correct diagnosis and appropriate treatment in the largest possible proportion of cases, and to establish sound principles of conduct in relation to both physiological and psychical needs for the maintenance of health of mind.

Meanwhile it is one of the innumerable tasks of the social economist to keep in touch with the movement of opinion among the experts in the science of mental hygiene, and to devise the methods by which the greatest possible advantage may accrue to the community through utilising the achievements of that science. This work needs to be done in many fields beyond that of public care of the insane; in education; in prison administration; amendment of the criminal law; city administration in such matters as control of noises, housing, town planning and smoke prevention; and also in the management of ordinary business, whether industrial, commercial or agricultural. In this last connection it is notable that while we have a State-aided Institute of Industrial Psychology, the heads of State departments which employ vast numbers of men and women have been extraordinarily slow to invite its assistance, which, at a very low

estimate, could easily point out ways of achieving a 10 per cent. increase of efficiency combined with a 10 per cent. reduction of cost.

But, while much remains to be done, the last hundred years have to their credit a vast improvement in the treatment of the insane, by efforts of which a brief summary follows.

One ancient institution has been inherited from the mediaeval church. Early in the thirteenth century there was established in what is now a congested area of South London a hostel or monastery of the Brothers and Sisters of the Order of the Star of Bethlehem. About the year 1400 it began to receive and care for lunatics, and its work in this field was so highly valued that the Corporation of the City of London intervened for its preservation at the time of Henry VIII's suppression of the monasteries. In 1696 it was, under the influence of the renascent spirit of philanthropy, rebuilt and extended as Bethlehem Hospital, *vulgo* Bedlam, and became a sort of model and exemplar for lunatic asylums when these began to be built half a century later in various parts of the country. The building of St. Luke's in London in 1751 was followed by that of a number in various provincial centres, out of which the York Lunatic Asylum, opened in 1778, alone needs mention here.

At the beginning of the nineteenth century there existed the following provision for the insane :

(1) For paupers, accommodation in poorhouses, usually herded indiscriminately with other inmates, particularly in the case of idiot children, but sometimes in separate cells or wards.

(2) By an Act of Parliament of 1744, Justices of the Peace were given power to apprehend those who were furiously mad or dangerous, and to see that they were kept securely locked up, and if necessary chained, in some secure place within the County. If the person so imprisoned were possessed of property, it was liable for

the cost of his maintenance; if not the cost fell on the parish.

The imprisonment and chaining might be in poor-houses, or in public asylums, but, at least in the case of persons possessed of property, it appears ordinarily to have been in private madhouses. Any person who liked could set up a private madhouse and receive lunatics consigned to him either by the Justices of the Peace or by relatives.

(3) The public asylums maintained by voluntary philanthropic societies.

Up to 1774 no private madhouse was subject to any public control or inspection. In that year the duty was imposed on the Royal College of Physicians of appointing annually five of its members to act as Lunacy Commissioners for London and within a seven-mile radius, within which area no madhouse could be set up without the licence of the Commissioners, who were also required to inspect the licensed houses annually. But as the Commissioners were not entrusted with the right either of refusing or of revoking a licence, all that the Commissioners found it practicable to do was to hang up a report of inspections in the College. Outside London even inspection was optional, and if carried out was entrusted to any two members of the County Bench, with a physician. Patients could not be committed to asylums or madhouses without an order signed by a physician, surgeon or apothecary. What sort of protection this provided, and what was the minimum standard of qualification of apothecaries, up to the creation of the Medical Register in 1858, is indicated by the following sample order recorded in the *Edinburgh Review* for August 1817 (p. 466):

> "Heʸ Broadway A Potcarey of Gillingham Certefy that Mr. James Burt Misfortin hapened by a Plow in the Hed which is the Ocaisin of his Ellness & By the Rising & Falling of the Blood And I think A Blister and

Bleding and meddeson Will be A Great thing But Mr. Jame Burt wold not A Gree to be don at Home.

" March 21, 1809

" Hᵃʸ Broadway." [1]

What became of James Burt who refused to be Blistered and Bled and to be treated with meddeson by the learned Potcarey of Gillingham after he was immured in a madhouse, whether he was forcibly treated according to that practitioner's advice, and, having recovered from the Plow in the Hed and Rising and Falling of the Blood, was liberated ; or whether, on the other hand, he was retained till his property was exhausted and he became permanently insane, are questions of detail. The broad fact of interest is that on such pretexts men and women could be confined, at the discretion of any one who chose to call himself an apothecary, chained and tortured, and pretty certainly made mad, if not so originally. The necessary reforms therefore were (1) the conversion of asylums from places of torment into places for cure, and (2) the protection of sane people from imprisonment as lunatics.

The pioneer in the first field was William Tuke, a wholesale tea and coffee merchant of York and a Quaker. In 1791 a member of the Society died in the York Lunatic Asylum, and Tuke investigated the conditions of his death. He brought the facts he ascertained before the York Quarterly Meeting, with the result that the " York Retreat " was founded in 1793 and opened in 1796, which has ever since been maintained by the Quaker Community. William Tuke himself superintended it until his death in 1822. His grandson, Samuel Tuke, published in 1813 *A Description of the Retreat*, and in his turn became a leading authority on insanity, and the Retreat became famous as the British asylum in which the most enlightened methods were elaborated and adopted.

[1] Quoted J. L. and B. Hammond, *Lord Shaftesbury*, p. 189, from which work much of the matter in this chapter is taken.

The extended imitation of Tuke's methods was facilitated by the Act of 1808, which enabled the county authorities to build asylums, and so to establish a public service employing medical officers whose professional reputation was enhanced by cures and damaged by deaths and allegations of ill-treatment. There long remained a prejudice against the county asylums, particularly among the wealthy, which gradually faded away in the light of experience ; and when eighty years afterwards the duty was transferred to the new popularly elected County Councils, the erection of asylums on a larger and handsomer scale was one of the most conspicuous signs of the change.

The need for some effective regulation was brought forward first by Robert Gordon, a Dorset magistrate, who four times (in 1814, 1816, 1817 and 1819) succeeded in passing Bills for the inspection of all madhouses through the House of Commons, only to see them thrown out by the House of Lords. It is supposed that the motive of the Peers in rejecting these Bills was a fear lest the fact that some of them had relatives among the inmates might become generally known. In 1827, however, Gordon was able to secure the powerful assistance of Lord Ashley (afterwards seventh Earl of Shaftesbury). A Committee of the House of Commons enquired into the state of pauper lunatics. It was found that there was no effort at any sort of curative treatment, or any treatment at all beyond mere confinement, most usually by chaining insane persons to a wall or a leg of a table. In one case it was found that they were chained within cribs in such a way as to be unable to move, and once a day, on weekdays, taken into a yard to have a jet of water turned on to them, two days' dirt being thus on Mondays, and one day's dirt on other days, more or less removed. Other houses differed only in the degree of filth and misery.

On the strength of this report Gordon and Ashley were able to pass through Parliament the Lunacy Act of 1828.

By this a Commission of fifteen members, ten unpaid, and five paid when actually engaged in inspection at the rate of a pound per hour and travelling expenses, was appointed for the London district. Outside that area the County Benches had to appoint visiting committees of three Justices and one medical man. The Commission and the visiting committees were empowered to grant, refuse or revoke licences, and to release sane inmates, and were bound to visit each licensed house at least four times a year. Non-pauper lunatics could be admitted only on certificates signed by two physicians, surgeons or apothecaries, neither being either the proprietor or a regular medical attendant of a madhouse. For pauper lunatics an order signed by two eligible persons (Justices, overseers, or incumbents of parishes) on the certificate of one medical man sufficed. Each licensed house had to celebrate Divine Service every Sunday. Where the number of patients exceeded a hundred there had to be a resident medical officer ; where it was fewer, a medical man had to visit twice a week.

Lord Ashley immediately became one of the unpaid Commissioners, and from 1834 up to 1885, in which year he died, he was the Chairman of the Commission. Its constitution was amended by the Lunacy Act of 1845, which embodied the result of the experience since 1828 ; six whole-time salaried Commissioners were then appointed, three being medical men and three barristers, and the scope of their functions was extended over the whole field, the precautions against the imprisonment of the sane being strengthened.

The Medical Act of 1858, which created a Medical Register, but which admitted to the register a large proportion of practitioners of very meagre qualifications, provoked the question whether the signatures of any two legally qualified surgeons or physicians, who might be young men fresh from a very short hospital training, having never received either any special instruction or

experience in the diagnosis or treatment of mental disease, should still be accepted as adequate. Lord Shaftesbury, however, invariably and persistently opposed the proposal that the certification should be by specialists ; on the ground that the specialist in mental disease, who spent his time in hunting for symptoms of incipient lunacy, was apt to think everybody insane. He was supported in this view by Charles Reade, several of whose novels, notably *Hard Cash*, turn upon the certification of sane persons, and who, in one of them, introduces a consultant in whom this bias develops into illusional insanity which finally sends him himself into an asylum.

A case which created great public interest, and embittered the last year of Lord Shaftesbury's service, was that of Mrs. Georgina Weldon *v.* Dr. Forbes Winslow, in 1884. At the instance of her husband, Dr. Winslow had sent three men to seize Mrs. Weldon and lock her up in a lunatic asylum. She managed to evade capture, and brought an action for damages. In defence, Dr. Winslow attempted to prove Mrs. Weldon's insanity by evidence to the effect that she held peculiar views about education, that she advocated the simplification of ladies' dress,[1] and had expressed the opinions that a dog might conceivably have a soul, and that if she had the management of Albert Hall she could make it pay. As Mrs. Weldon conducted her own case, the Judge and jury had an excellent opportunity of forming an independent judgment with regard to her sanity ; and while the Judge congratulated her on her "judgment, intelligence and talent," the jury awarded her £500 damages.

The problem of certification remained and remains one of extreme difficulty. It is an old saying that no one is perfectly sane, and this applies to the licentiates of the Colleges of Surgeons and Physicians, and to mental

[1] For contemporary fashions see *Punch*, who depicts in 1884 "bustles," walking dresses reaching the ground, evening dresses with trains, and extreme tight lacing.

specialists as well as to laymen. Religious opinions which once were orthodox, but which now appear rather weird, may be regarded as insane delusions if the examining physician entertains a strong prejudice in the opposite direction. But while the danger of false imprisonment following mistaken diagnosis besets us on one side, there is the danger on the other of doctors being intimidated from certifying patients for whom prompt institutional treatment might effect a speedy cure. This last consideration was emphasized by Lord Shaftesbury in the debates that followed the Weldon case. With regard to that particular case, when the Commissioners were reproached for their inaction, the reply was that they had no opportunity for action. If Mrs. Weldon had been actually confined, they could have ordered her release, but she was not.

From 1829 onwards the work of improving the internal conditions of madhouses went on gradually and progressively. In 1844 there were about four thousand pauper lunatics in county asylums, about nine thousand in workhouses, and about six thousand in private madhouses kept by proprietors who contracted with Boards of Guardians to lodge, board and give medical care to the inmates entrusted to them, at rates varying from six to nine shillings a week, out of which they extracted their own profit. Much of the labour of the Commissioners under the Act of 1828 had been devoted to persuading the London Boards to level up the rates from the lower to the higher figure, and much improvement had thereby resulted. The whole condition of affairs in London was changed in 1867 by the creation of the Metropolitan Asylums Board, which took over the whole duty of caring for pauper lunatics belonging to London unions, and so abolishing their retention either in workhouses or in private custody. Outside London removal to county asylums was facilitated in 1876 by a Treasury grant of four shillings per head per week.

The Criminal Lunatics Act of 1884 provided for detention in special hospitals during the King's pleasure. In 1913 the Lunacy Commissioners were replaced, under the "Mental Deficiency Act," by the "Board of Control, Lunacy and Mental Deficiency."

Since the creation of the Medical Register the number of certified lunatics has grown enormously. For England and Wales it was 36,762 in 1859, 186·8 per 100,000 of population. In 1907 it was 123,988, 354·8 per 100,000. The number continued to increase up to the outbreak of the war, and on 1st January, 1915, it was 140,466; but during the war years there was a rapid decrease, and on 1st January, 1919, the number was reduced to 116,703. The pre-war increase was then resumed, and on 1st January, 1929, the number was 141,080, or 357 per 100,000. These fluctuations, no doubt, are almost entirely in the proportion of actual insane certified; and it is impossible to judge from them whether lunacy is increasing or decreasing. On the whole, the latter appears the more probable. If so, it is to be inferred that the favourable influences—for instance, lessened abuse of alcohol, the recent provision for combating venereal disease, and the relief given by "the dole" from the worst anxieties of unemployment—have outweighed such unfavourable influences as the direct effect of the war, the prolonged depression of trade, and the intensified strain of modern life.

The percentage of certified insane in County and Borough asylums has grown steadily. In 1889 (1st January) it was 62·5; in 1909, 75·7; in 1928, 81·5.

Mental Deficiency.—There is a broad and very important distinction to be drawn between "dementia," disease, whether physical or psychical in origin, which deranges the mind, and "amentia," permanent mental weakness and instability, which may be congenital and innate, or the result of injury or illness before or soon after birth. Under feudal law this distinction was recognised in so

far as it related to holders of land, the estate of a lunatic reverting only temporarily to the Crown, and being restored if and when he was cured ; but that of the idiot or imbecile reverted permanently, subject to provision out of the revenues for maintenance of the nominal holder. Later the distinction was ignored by the State, up to the passing of the " Idiots Act, 1886." By that time the need for some institutional provision for those mental defectives lacking adequate care of parents or guardians, who wandered about helplessly, jeered at by ill-disciplined children, had been recognised by philanthropists, and to some extent provided for by voluntary effort ; and the Act provided for the inspection and registration of the institutions created by voluntary effort, and authorised parents and guardians to place in them idiots and imbeciles from birth.

The development of public elementary education from 1870 onwards, the gradual attainment of complete attendance, and the still more gradual approach towards efficiency in teaching, brought into prominence the problem of the mentally defective children in school. The attendance officer compelled them to come, but while they derived little or no benefit from the instruction given, they lowered the standards of discipline and diligence of the classes to which they were assigned, and made still more difficult the task of teaching the excessively large classes assigned to individual teachers, particularly in the lower standards. The report of a departmental committee appointed to enquire into the problem resulted in the " Elementary Education (Defective and Epileptic Children) Act, 1899," which enabled local education authorities to provide special schools for children who could not properly be educated in the ordinary schools, and to compel their attendance from the age of seven to sixteen ; and this provision was made compulsory by an Act of 1914, re-enacted in the Education Act of 1921.

The wider problem of mental defectives of all ages was

referred to a Royal Commission appointed in 1904, which reported in 1908. Its report led to the "Mental Deficiency Act" of 1913, amended by that of 1927. As a result we have a statutory classification of those suffering from "amentia," as follows :

(*a*) *Idiots*, persons so deeply defective in mind from birth or from an early age as to be unable to guard themselves against ordinary physical dangers.

(*b*) *Imbeciles*, whose defect does not reach idiocy, but is so pronounced that they are incapable of managing themselves or their affairs ; or in the case of children, incapable of being taught to do so.

(*c*) *Feeble-minded*, less defective than imbeciles, but who require care, supervision and control for their own protection or the protection of others ; or if children, permanently incapable of receiving proper benefit from the instruction in ordinary schools.

(*d*) *Moral imbeciles*, persons who from an early age display some permanent mental defect, coupled with strong vicious or criminal propensities, and who require care, supervision and control for the protection of others.

Under these Acts the "Board of Control (Lunacy and Mental Deficiency)" was set up, originally under the Home Office, but later transferred to the Ministry of Health, as the Central Authority ; and County Councils and County Borough Councils were required to form committees for the care of the mentally defective, which act as the local authorities under the Acts, with the duty of ascertaining who are mentally defective, and to make in each case the necessary provision, whether in special institutions, or by appointing guardians, or by mere supervision.

It is the duty of the local Education Authority (usually another committee of the same Council) to report to the local Mental Deficiency authority all mentally defective children passing out of their care, from special schools or otherwise, who require further care, as well as those who

cannot be educated even in special schools or who for other reasons, bad homes for example, require supervision or guardianship. Defective persons not so notified only come within the cognisance of the Mental Deficiency local authority if found neglected, abandoned, cruelly treated, or without visible means of support, or if coming into the grip of the law as criminals or habitual drunkards, or in the case of women, in receipt of poor relief when giving birth to an illegitimate child.

A joint Committee of the Board of Control and the Board of Education has further investigated the matter, and in its report (1929) has submitted the following estimates of the numbers of defective children and adults, based on the number of actually ascertained cases in selected sample areas :

Children educationally defective, but not "incapable of independent social adaptation" -	35,000
Children defective within the meaning of the Mental Deficiency Acts - - - -	70,000
Idiots and imbeciles (children) - - -	30,000
Adult defectives within the meaning of the Mental Deficiency Acts - - - -	150,000
Total incapable of independent social adaptation, as calculated from actual ascertainment in the selected areas - - - - -	250,000
To be added to allow for defect of ascertainment, at least - - - - - - -	50,000
Total needing supervision and care by Mental Deficiency authorities, at least - - -	300,000

In addition the Committee reported some 300,000 dull and backward children, who should, it considered, be treated as one group with the educable defectives.

The Committee held that the numbers of the mental defectives has increased both absolutely and relatively to the total population during the past few years, and that they tend to become an increasing part of the nation, as

among them the birth rate does not tend to fall as it does among the sane. Further, it holds that the majority owe their defect to bad racial inheritance, being the more extreme cases of the subnormal tenth of the population, which also provides lunatics, prostitutes, criminals (especially recidivists) and unemployables in great abundance; only a minority of these belonging by birth and parentage to the normal nine-tenths.

Inevitably, therefore, the Committee comes to the conclusion that the rapid and steady increase in our country of the degenerate at the expense of the sound stock constitutes one of the major problems that the nation is called upon to solve. But it does not, in consequence, join in the cry for sterilisation of the unfit.

Its proposals are, broadly, that the existing law, with some modifications, should be enforced, and that local Education and Mental Deficiency authorities should cease to shirk their duties. As far as possible there should be unification of responsibility. Some division of responsibility there must be between the Education and M.D. authorities, but the further complication which has existed in the past through a large proportion of the defectives being in the charge of Boards of Guardians should not be perpetuated on those Boards being superseded by Public Assistance authorities. All notifiable children should be notified to the Mental Deficiency authority (instead of only about a third as at present), and that authority should have entire responsibility for their care for the remainder of their lives.

The care should take very varied forms. As the basis of the whole of its work each local Mental Deficiency authority should maintain, either independently or in conjunction with another, a Village Colony or Colonies, on the model of the best existing voluntary and public institutions of the sort. In these already the art of making the lives of the feeble-minded as useful and happy as possible has reached a high pitch of attainment, by means

of industrial training in a great variety of useful arts such as gardening, tailoring, carpentering, furniture making, weaving, bricklaying and concrete work, painting, laundry, kitchen and housework, and miscellaneous manufactures. It is pointed out that those at present admitted to such colonies tend to become permanent residents ; but with their increase to the extent desired there would be a larger proportion of educable children and young adults, who in due time would pass out into the outer world, under supervision or guardianship. The number (children and young adults) who should be accommodated in such colonies is estimated at about 57,000. For 37,000 older and consequently less educable defectives, simpler residential institutions, it is considered, are required ; some 6,000 relatively bad cases would require special care in mental hospitals, and for more than 1,200 defectives of violent and dangerous propensities there should be State institutions[1] under the direct management of the Board of Control.

Institutional care being thus provided for rather more than 84,000 adults and 17,000 children, it is estimated that there would remain some 62,000 adults who would be left in the general community but who would require supervision and guardianship in varying degrees of strictness. Owing to the difficulty of finding as many suitable guardians as are required, which at present leads in many cases to parents being appointed who themselves are victims in some degree of the mental instability of their offspring, it is proposed that the local Mental Deficiency authorities should have power to grant financial assistance to the performance of such duties, which are largely carried out by voluntary associations.

The children to be left outside the colonies are classed as about 14,000 lower grade defectives, of whom more than half ought to attend occupation centres, and some 70,000 higher grade defectives, who, though unfit for

[1] See note at the end of this chapter.

inclusion in the ordinary school classes, are not to be regarded as incapable of social adaptation, and of living the ordinary life if suitably educated. These, the Committee held, should be classed with the much larger number of dull and backward children, who also should be taken out of the classes for normal children ; having a more suitable and simpler curriculum planned for them, according to which they should be allowed to advance from one standard to another according to their individual powers.

The weakness of the Report is that it shirks the problem of making the local authorities perform effectively the duties imposed on them by statute. It is even a little diffident and hesitating in suggesting that each local Mental Deficiency authority should have a special officer. It also fails to give a financial estimate for the cost of carrying out its proposals. If the 94,000 defectives for whom institutional care is regarded as necessary cost on an average a pound a week per head, the total cost on that head would be about five millions per annum ; to which perhaps another two millions should be added for non-institutional care for the remainder.

In London the work of the London County Council as M.D. authority is carried out by the help of the " London Association for Mental Welfare," a voluntary but representative body. The funds it administers amount to about £10,000 a year, of which rather more than a quarter is devoted to the maintenance of occupation centres providing (at the end of 1927) 255 places. The income is mainly grants from the London County Council, from the Board of Control, and from the Ministry of Labour, the last being for the after-care of boys and girls leaving the London County Council special schools at sixteen until they attain the age of eighteen, and finding employment for them, which is found possible in between 80 and 90 per cent. of the cases. Unfortunately, it is less easy to secure that these subnormal youths will be

able to continue at work. A special investigation found that about half of those who had passed on, and were between the ages of eighteen and twenty-three, were satisfactorily employed, and about 10 per cent. more earning something. Nor can one be sure that those who are satisfactorily employed are not keeping better workers out of jobs. At the close of the year 1927 there were 6,031 persons under supervision, about 2,200 of whom were under eighteen. When received into institutions the defective persons pass out of the care of the London Association, which complains that the provision in them is very inadequate, amounting, for London, to less than 3,000 places. Apparently the accommodation needed is at least four times as large.

The Board of Control in its report for 1928 reiterates with emphasis the views of the Joint Committee on the relation of the problem of primary mental defect to the future of the race. To the question whether mental and moral defectives can wisely be allowed to propagate unchecked, the answer is surely " No ! " on two grounds. Firstly, to impose existence on a human being is a serious matter ; no one has a right to do so without fully resolving to do what can be done in order to secure that such existence is neither miserable in itself nor a cause of injury to the community. The defectives, defined as those who are unable to manage their own lives, are incapable of discharging parental responsibilities towards their offspring. Secondly, though the science of genetics is still in its infancy, there can be no reasonable doubt that unchecked breeding from the worst stocks, while the birth rate among the best dwindles, is a pretty sure road to racial degeneration. There is a Tamil proverb in South India that " the calf of the good cow dies." They do ; and the result is that according to expert opinion not one cow in twenty is now in the Tamil country yielding any milk for human consumption. In England to-day it might almost be a proverb that " the able

woman has no children "—the conspicuously able women certainly do not contribute more than on an average one child apiece to the next generation. To discuss the possible remedies for the social conditions which have produced that result would here be out of place. Nature, by throwing the main burden of parentage on women, has given them the moral right to the deciding voice on all laws affecting sexual relations; and as political development has also given them the majority of votes, it is for them to devise and enact such alterations in our marriage laws and customs as may be necessary.

Meanwhile the views of the Board of Control are worthy of careful consideration. They are, firstly, that "it would be a valuable safeguard if the marriage of defectives, whether under order or under supervision, could be prohibited by law." "It is astounding," the report adds, "that on grounds of so-called morality well-meaning persons are found to countenance and even to encourage the marriage of defectives, who are not only obviously unfit to undertake the responsibility of parenthood, but are incapable of assuming the responsibilities of the relationship into which they propose to enter. A definite prohibition of the marriage of defectives would prevent unions which are socially disastrous, and would make it much easier to secure the protection of young defectives under supervision or guardianship, or on licence, by bringing home to the public conscience the anti-social character of any overtures towards persons definitely stamped as incapable of valid marriage."

Secondly, it strongly deprecates the demand for operational sterilisation of defectives. Such American and other foreign experience as is available is not encouraging; the idea that it would be a practicable and effective, as well as a cheap, substitute for institutional care is a delusion; vicious tendencies, where present, would remain, and the spreading of venereal disease by defectives probably increased.

After all, the fear of the expense of institutional care is illogical. It is no longer morally possible to leave these unfortunates to starve ; it is not yet—if it ever will be—morally possible to offer them euthanasia in lethal chambers. The cost of maintaining them has to be met somehow, and it is true economy to do so in such a way as to minimise the injury their existence inflicts on the community.

The responsibility for the inadequacy of provision for institutional care rests on the Central Authority as well as on the local councils. The State Institution for mental defectives with criminal propensities at Rampton, Notts, does excellent work, but it can only deal with a minority of those officially declared to need such guardianship.

CHAPTER XV

THE BLIND, THE DEAF AND THE CRIPPLED

The Blind.—Since the passing of the Blind Persons' Act of 1920 it has been the duty of County and County Borough Councils of England and Wales to promote the welfare of all persons within their respective areas who are so blind as to be unable to perform any work for which eyesight is essential. The number of the blind registered in 1927 was 46,882, which includes 2,554 completely blind children aged five to sixteen. Out of 44,010 over sixteen years of age, 9,160 were in employment, 635 were classed as trained and employable, but unemployed, 1,704 as in training for employment, 844 as trainable, 31,667 as unemployable. The Blind Persons' Act provides that Old Age Pensions shall be available for those within the scope of the definition at the age of fifty instead of seventy, and 84 per cent. of the 17,232 blind within these limits of age were in 1927 in receipt of pensions.

Similar care is taken under the Education Act of 1921 of blind children. The definition for this purpose is wider, all too blind to be able to read the ordinary school-books being included. For these special schools must be provided, at which attendance is compulsory up to the age of sixteen. For blind persons aged sixteen to fifty reliance is placed on voluntary agencies, to which grants in aid are paid under regulations framed by the Ministry of Health.

The causes of blindness are various. As a rule blindness

is commoner in hot countries than in cold and temperate climates, though in this respect Iceland, with a very large proportion of blind, is an exception. The most unfortunate victims are those who have been completely blind from birth. It is calculated that about 40 per cent. of the blindness in England and Wales is due to *ophthalmia neonatorum*, due to infection at the moment of birth, and particularly to syphilitic infection. Competent midwifery would, in almost every case, have prevented such infection ; but it is only since 1902 that there has been for the United Kingdom any registration of qualified midwives, or any legal provision against unqualified persons taking sole charge of the mother and infant during confinement.

The Midwives' Act of 1918 was called for in the interest of mothers as well as of infants, on account of the high mortality of mothers in childbirth. For the decade 1900-1909 it averaged 4·13 per thousand live births, some 3,800 women thus dying every year. The results of that Act, and of other measures, including maternity benefit under the Health Insurance Acts, for diminishing the dangers of childbirth, have hitherto been disappointing. Maternal mortality for the three years 1925-1927 averaged 4·10 per thousand births, which shows no perceptible improvement on the 1900-1909 period, and even is worse than the record for the quinquennium 1905-1909. True, the absolute number of mothers' lives lost is fewer, averaging for 1925-1927 only 2,747, the number of births per annum having diminished greatly. It may be that the improvement in the average conditions of childbirth is masked statistically by the great increase of avoidance of births by those classes of the population among whom it is least dangerous ; the prudent and the cleanly sections including mostly the same individuals. On the other hand, the fear has been expressed that the payment of maternity benefit, which encourages the calling in of a doctor, leads to an increase of the cases of hastened

delivery by means of instruments, and hence directly to increased maternal mortality. Whether this be so or not, there seems good reason to believe that *ophthalmia neonatorum* is decreasing, and will continue to decrease.

Excessive eyestrain is another preventible cause of blindness and impaired sight. For much of the impaired vision of the present day we must lay the responsibility largely upon the appalling ignorance or carelessness of all that most seriously affects the physical wellbeing of children which prevailed among the members of the School Boards of the nineteenth century, and the contemporary staffs of schoolmasters, mistresses and inspectors. The twentieth century brought greater enlightenment, but it takes time to secure the consequent results. Thus, for example, quite early in the century the Royal Arsenal Co-operative Society, on the initiative of Mr. T. G. Arnold, started the movement for Open Air Schools by offering a woodland glade which formed part of its housing estate at Bostal to the London County Council for the purpose ; but the number of such schools, in spite of their brilliant success, grows very slowly, and the practice of making young children read and write under conditions pretty certain to damage their eyesight still prevails to a deplorable extent.

France seems to have been the first European country to make special provision for the blind, the first asylum, at Le Mans, dating from the eighth century. It was also a Frenchman, Valentin Haüy, " the Father and Apostle of the Blind," from whom came the first effective impulse for the education of the blind in reading and writing, when in 1785 he founded the " Institut National des Jeunes Aveugles " in Paris. Others before Haüy had devised methods of making letters recognisable by touch, but Haüy was the first to use embossed paper ; and later, it was a pupil and instructor of the Institut National, Louis Braille, to whom the world owes what is generally recognised as the best alphabet for the blind. The

publication of Haüy's book on the *Education of the Blind* incited similar movements in Britain and various European countries, and in 1806 Haüy opened a school in Berlin, whence the movement spread to America.

The pioneer in England was Edward Rushton, a bookseller, who had become blind in 1775 when travelling to Dominica on board a slaver. Malignant ophthalmia broke out in the human cargo, and Rushton, going down into the hold to help the sufferers, caught the disease himself. In 1791 he founded the "School for the Indigent Blind" in Liverpool, the great centre of the slave trade, with the help of other blind friends. The Edinburgh Asylum for the relief of the indigent and industrious blind was established in 1793; and in the early part of the nineteenth century schools and asylums for the blind became fairly numerous. The idea of piano-tuning as a suitable occupation was hit upon in 1830; and in 1838 the London Society for teaching the blind to read was established.

The creation of the British and Foreign Blind Association [1] in 1868, for education and employment, was the work of Dr. T. R. Hermitage, who had given up the practice of medicine on finding himself threatened with blindness. It was found that British methods were far behind those which had been worked out on the Continent, and the Braille system was introduced. The Royal Normal College and Academy of Music for the Blind was founded in 1872. In 1882 the Gardner Trust for the Blind was created by the bequest by Dr. Gardner of £300,000, the income of which is available for a number of objects, including teaching music and trades, scholarships, pensions, etc. In the same year the National Library for the Blind (18 Tufton Street, Westminster) was founded, which now has some 150,000 volumes, books and music.

[1] Now the National Institute for the Blind, 224 Great Portland Street, London, W. 1.

While in these and other ways voluntary efforts were multiplied, the Royal Commission on the Blind, appointed in 1886, found that though there were in the United Kingdom sixty-one institutions on a voluntary basis, public provision was slight and unsatisfactory. Boards of Guardians could send blind persons in receipt of relief to asylums, paying for their maintenance, but the traditions of the Poor Law system were antagonistic to good work. Only a few of the School Boards in large towns provided special classes. The Report appeared in 1889, and in 1893 the Elementary Education (Blind and Deaf Children) Act was passed, exacting compulsory attendance from the age of five to sixteen and the provision of special schools.[1]

In the twentieth century Sir Arthur Pearson took up the leadership, and in 1914 he became President of the British and Foreign Blind Association, and inspired its reorganisation on a larger scale as the National Institute. In 1915 he founded St. Dunstan's for men blinded in the War. The need for co-ordinating public and private efforts was then recognised, and this became one of the functions of the Ministry of Health on its creation in 1919. The whole of England and Wales is now mapped out as the spheres of activity of eight Regional Associations (for the Home, Eastern, Western, Midland, Northern, North-western Counties and South Wales respectively) to secure local co-operation of all agencies in the different areas, and these again are linked together by the Union of Counties Associations (Denison House, Vauxhall Bridge Road, Westminster).

The Deaf.—In all times the misfortune of deafness has failed to win sympathy comparable with that so freely given to the blind. Speech naturally goes with hearing, and the completely deaf, unless specially educated for speech, inevitably become dumb ; and dumbness, we may gather from the Gospel narrative, was attributed to

[1] Re-enacted in the Education Act of 1921.

diabolic possession. The earliest record, true or false, in our own country of any deaf mute being taught to speak is the statement of the Venerable Bede that St. John of Beverley performed this feat in 700 ; and that tradition is honoured by the " St. John of Beverley Church and Institute," Finsbury Park, where the Rev. Vernon Jones ministers to some eleven hundred out of the five thousand deaf mutes of London. The total number of the wholly deaf in England and Wales is estimated at about 30,000 ; of the number of the partially deaf it is of course impossible to make any estimate.

Schools for teaching deaf mutes by means of writing originated in France in the sixteenth century, but it was not till the eighteenth that the idea was imitated in Britain. The first such school appears to have been that opened in Bermondsey in 1739. Thomas Braidwood opened another in Edinburgh in 1760 ; he moved to London in 1783, and in 1792 the London Asylum for the Deaf and Dumb was founded.

A certain proportion of cases of deaf-mutism are due to congenital defect of the ear, which there is some reason to suppose is a heritable Mendelian recessive characteristic. Much more numerous are the cases due to infection spreading from other parts of the body, the deafness being thus an after-result of measles, scarlet fever, influenza, meningitis, tuberculosis or syphilis. Other cases are due to accident, or to the causes which produce cretinism, now attributed to iodine deficiency. It therefore does not seem practicable to frame special measures for prevention, other than those required for raising the general standard of health; though parentage is contra-indicated for those who have inherited their deafness, which may be the case even if both parents had good hearing. Nor in most cases is there, in the present condition of knowledge, much hope of a cure. What remains is the possibility of minimising the handicap under which the deaf suffer.

From the first establishment of schools in England to

the year 1870, reliance was placed on the use of deaf and dumb alphabets. In Great Britain and Australia the signs in use are made with both hands, the vowels by touching the tops of the digits of the left hand, the consonants by signs mostly suggesting the shapes of Roman capitals. Elsewhere in Europe and America one-handed alphabets are in use, which presumably have greater convenience for casual conversation, but would appear to be less easy to learn, or, when used, to be read rapidly and correctly.

About the year 1870 the oral method was introduced,[1] by which the deaf pupil is taught to watch the movements of the mouth and lips of the speaker and to imitate them sufficiently accurately as to produce a recognisable similarity of sounds. Ever since, the relative merits of the manual method, the oral method, and of a combination of both, have been the subject of controversy. Obviously, the oral method is the best for those who can master it; these are found mostly among persons who had acquired the power of speech before losing that of hearing, particularly if they retain any power of hearing even some sounds to assist the eye. Equally obviously, for many it is waste of time to attempt the oral method; and for these the manual method is indicated. The selection of the most appropriate method for each case is a problem for the school.

In recent years much effort has been devoted to the problem of making the most of the power of hearing of the partially deaf. Simple apparatus has been in use for a long time. Harriet Martineau, as she reports in her *Autobiography*, first used a speaking tube, handing the mouthpiece to the person with whom she was conversing,

[1] I have not discovered when, where, or by whom the oral method was invented. The *Encyclopaedia Britannica* (14th edition, vol. vii. p. 102) mentions a school maintained by John Braidwood, a grandson of Thomas Braidwood of Edinburgh, from 1812 to 1818, as the first oral school in America. Great Britain was somewhat later than Europe and America in the adoption of the idea.

but later she enjoyed the convenience of an ear-trumpet. More complicated instruments are now manufactured in considerable variety. But also the idea of strengthening and developing an imperfect power of hearing is receiving attention, and research on both lines is financed by the Laura Spelman Rockefeller Memorial Fund.

The public provision for the deaf in this country is that enacted by the Education Act of 1893 mentioned above, re-enacted in the Act of 1921. The local education authorities have to provide special classes and schools, at which attendance is compulsory from the age of seven to sixteen, and permissible from the age of two. In the case of children born deaf, or becoming deaf in infancy, it is desirable that special training should begin as early as possible, as otherwise the mind, cut off from communication with others, fails to develop, and potentially intelligent children become hopelessly stupid. There are some 4,800 deaf children in the care of the County and County Borough Education Committees ; in London and some other great cities the methods of grouping the children according to their capacities are being perfected by degrees.

The central voluntary body is the National Institute for the Deaf, reorganised in 1925. It aims at creating county associations similar to those for the blind, and generally at assisting the prevention of deafness, the education of the deaf, and their industrial welfare. Special efforts are made to secure that those who sell aids to hearing shall allow for adequate home trial before purchase, and to prevent persons who are merely deaf from being certified as mentally defective.

Cripples.—Many voluntary societies exist to help cripples, particularly crippled children, and the co-ordination of these with public authorities is now well advanced ; but much remains to be done in order to take full advantage of recent developments of scientific knowledge. It is believed that the great majority of actual cripples could

have been cured by the prompt application of the most appropriate of the remedial measures now known. Among the causes of this condition are a deficiency in the diet of vitamins, lack of fresh air, sunlight and exercise ; and where the crippling is due to tubercular disease of the joints, the work of Dr. Rollier at Leysin in Canton Vaud, Switzerland, has proved the great curative value of carefully graduated exposure to sunlight. Leysin is in this respect peculiarly well situated, occupying the upper northern slope of a high valley, enjoying direct sunshine over exceptionally long periods, reinforced during the winter by reflection from the snow. Equal advantages can hardly be found in the British Isles, but now that the value of sunshine is recognised, no great difficulty is found in exploiting it. " Heliotherapy," which seems to have been practised in the ancient Greek temples to Asklepios, has again come into its own.

The crippled child under school age is now under the supervision and care of committees of the local Health Authorities set up by the Maternity and Child Welfare Act of 1918. When they reach school age, if tubercular, they come under the Tuberculosis Act of 1921, which also is administered by the Public Health Authorities ; 50 per cent. of the expenditure of the local authorities for these purposes was defrayed by the Treasury until this arrangement was stopped by the " reform " of local government by the " Derating Act " of 1929. For non-tuberculosis cases reliance is placed upon the medical provisions of the Education Act of 1921, which require local education authorities to hold medical inspections of children on entry to school and periodically afterwards, and to provide the necessary medical care for children found physically defective. Use is generally made of voluntary agencies, which may be subsidised to enable them to work on a sufficient scale. In this way the country is being equipped with orthopaedic hospitals and clinics.

The Central Council for the Care of Cripples (117 Piccadilly) exists to promote the co-ordinated activities of public and voluntary bodies, being representative of the latter and in close touch with the Ministries of Health, Education and Labour. Convalescent homes for invalid and crippled children, and organisations for supplying surgical appliances are numerous. Of special interest is the Invalid Children's Aid Association, which aims at finding voluntary visitors to keep in touch with the homes and parents of invalid and crippled children, and to enable them to secure the particular form of assistance needed ; also the Shaftesbury Society, which organises Cripples' Parlours with the help of the women's section of Toc H, and maintains convalescent homes and home-visiting work on the same principle as the Invalid Children's Aid Association.

CHAPTER XVI

UNEMPLOYMENT

I. PRE-WAR EXPERIENCE AND THEORY

THE greatest of all the causes of poverty at the present time is, by common assent, unemployment, the inability of vast numbers whose regular means of living is work for wages to find employers willing and able to offer them the minimum rates of wages they demand in return for such work as they are able and willing to do. It has been said that unemployment is a social disease peculiar to modern industry, but, even as here defined, it is probably at least as old as wages and wage-earning. In the broader sense of inability of workers to find at times ways and means of employing their energies productively, it is an ever recurring feature of the social conditions of even primitive agricultural communities.[1] What is modern about unemployment is rather the recognition of the fact than the fact itself. Even the recognition is much older in England than is commonly supposed, for the First Book of *Utopia*, published in 1515, is a treatise on the causes of and possible remedies for the then crisis of unemployment, a crisis of great severity prolonged over decades.

Unemployment is the result of maladjustment between the individual would-be worker and his industrial

[1] Mr. Gandhi wrote : " The problem of problems that confronts India —namely the enforced idleness for nearly six months in the year of an overwhelming majority of India's population. . . . " (*Mahatma Gandhi's Ideas*, by C. F. Andrews, 1929, p. 149.)

environment, a maladjustment which may originate primarily from the worker or from the industry in which he expected employment. Maladjustment of both sorts is always present, but the degree to which it expresses itself in unemployment varies enormously from time to time, according as business conditions increase or diminish the effective demand for labour.

Even an autocratic, aristocratic, or plutocratic government may be forced into framing measures to cope with the problem of unemployment by such an access to the intensity of the evil as to imperil the State ; and in proportion as government is democratised it increases its efforts to frame and carry out an effective policy. Such a policy must necessarily have two aims, firstly the mitigation of the poverty, misery and other evil results, psychological, social and political, of the existing unemployment ; and secondly the diminution of the numbers of the unemployed, which obviously should be brought about by an increase in the effective demand for labour. Further, it is important that the measures adopted to palliate the results of unemployment shall not tend to increase or perpetuate unemployment itself. Hence, one of the most important of the tasks devolving on the exponents of economic science has long been that of analysing the causation of unemployment in the light of abstract theory and of past experience. The analysis has hitherto been qualitative rather than quantitative, and while a great deal of useful work has been done, there has been too great a tendency on the part of more recent investigators to undervalue the results achieved by their predecessors. What is needed, therefore, is to co-ordinate the material already contributed by various thinkers, rather than to attempt a search for new truth. As fresh efforts to elucidate the problem of unemployment have generally been prompted by the occurrence of industrial crises, the development of the economic theory is best studied in connection with the record of experience.

As suggested above, the most prolonged and severe crisis of unemployment known in English history was that of the sixteenth century, already discussed in some of its aspects in an earlier chapter. It is pretty certain, although the evidence for this view has not appeared in print and cannot here be set forth, that the fundamental cause was to be found, paradoxically enough, in the improvement of ploughs and ploughing. This, at least, is the particular factor most worthy of note for the present purpose. There is great unwillingness among many people to admit that greater efficiency in the methods of production can create unemployment ; but obviously a change that enables the workers in any particular industry to double their output *per capita*, may conceivably have any one of the three following results : (1) doubled output, the numbers of workers employed, and the hours of labour remaining unchanged ; (2) hours of labour halved, output and the numbers employed remaining unchanged ; (3) the numbers employed halved, output and hours of labour remaining unchanged. Or there may be a combination of two or all three of the possible consequences, increased output, shortened hours, unemployment. The shortening of hours, however, is not likely to come in the absence of effective trade unionism ; and whether the result of the improvement in the process of production will be mainly in the direction of increased output or of reduced employment, depends on the question whether the industry affected has, or has not, the possibility of an expanded market, either through export, or by reason of the elasticity of the demand for its product. In this statement we are, of course, leaving out of account the reaction on other industries, which is favourable in proportion as the output of the industry directly affected expands ; so that new demands for labour are created in inverse proportion to the numbers displaced.

In the case of the industry of corn production in the sixteenth century the conditions were in the highest

degree unfavourable to increase of output. Overseas import and export were alike practically impossible except in very small quantities on rare occasions, and therefore native grain could not achieve larger sales either by invading foreign markets or by supplying a home demand previously met from abroad. Further, the demand for cereals was in the highest degree inelastic, increase of home consumption being possible only to a very small extent, chiefly through increase in the quantity malted for brewing.

Land, as well as labour, was economised in corn production at this time, and so became available for sheep farming ; and incomes from the ownership of land and rights to land increased, and with them the effective demand for luxury goods. But sheep rearing employed relatively few hands, and peasants evicted from the cornfields laid down in grass were not to be easily absorbed in urban industries. For great numbers vagrancy combined with theft and begging was the one occupation available.

Out of the very varied assortment of measures devised by the Tudor statesmen, who were compelled by this emergency to become economists, the two which are specially suggestive are the fostering of woollen manufacture, and the provisions of the Poor Law which threw the responsibility of maintenance of the destitute on the parishes, requiring them to maintain stocks of the *raw material for textile manufactures* on which the unemployed should work. It was desired to effect a transfer of labour from the industry which was throwing out its surplus workers into one which had scope for expansion, and it was recognised that maintenance of unemployed from public funds should be accompanied by industrial training designed to assist the transfer. Increased mobility of labour with regard both to occupation and locality was what was needed ; half only of this truth was perceived, and while occupational mobility was pro-

moted, the movement of labour from place to place was hindered. The measures adopted to secure prosperity, contentment and full employment were, under Elizabeth and Lord Burghley, part and parcel of a policy designed to increase the defensive power of the nation by sea and land, and, taken as a whole, they achieved much success.

After the conflicts of the seventeenth century had established the political supremacy of a Parliament representing property in land, no industrial crisis occurred up to the end of the eighteenth century sufficiently acute to disturb the minds of the oligarchy. The bounty on the export of wheat, rye, barley, oats and malt gave corn-growing, still by far the greatest national industry, the elastic market which it had lacked ; if, as is probable, there were great fluctuations in the demand for labour in manufacturing industries, inflicting on the workers alternately excessive toil and hungry idleness, these passed with very little contemporary record or comment, and the responsibility of dealing with each emergency was left to the Poor Law authorities. Industrial changes were taking place with ever increasing rapidity, but commercial expansion and colonisation were proceeding *pari passu* with the improvements in industrial technique, and these again took effect in all the great departments of industry, agriculture, mining, textiles, metal-working and transport ; and transference of labour from one industry or locality to another took place mainly as the result of new demands for workers, who were, on the whole, drawn into new occupations rather than driven from their old employment. The economic theories of Lord Burghley, expressed in legislation which was not understood, and memoranda still unpublished, were forgotten, and decade after decade the maxims of Adam Smith, supplemented later by the doctrines of Malthus and Ricardo, exercised increasing sway over public opinion.

Accordingly, when at the close of the Napoleonic war there came an access of unemployment sufficient to

astonish and dismay public opinion, when the most optimistic reports admitted that the majority of the workers in manufacture in the Midlands were in lack of bread, when starving colliers harnessed themselves to coal trucks and dragged them along the road to London to call the attention of the Prince Regent to their plight, and in London workhouses destitute folk were packed in seven to a bed, and still applicants were turned away, ideas with regard to the best way of meeting the situation were extraordinarily chaotic. Tories said, truly enough, that the distress was due to the transition from war to peace, but refrained from advocating a new war. Whigs, under Henry Brougham's leadership, successfully clamoured for the repeal of the income tax, arguing that if the rich had more money to spend, the poor would be better employed ; and among the taxes put on instead there was one on imported raw cotton, which was ill-calculated to mitigate the severe distress of the Lancashire weavers. One or two bold thinkers advocated writing down the National Debt ; actually, the policy of deflation to bring back the depreciated paper currency to its old gold value was adopted, and the burden of the debt increased instead of diminished. Half-hearted and completely ineffectual efforts were made to cope with the problem by private charity and ill-designed relief works on a very small scale, but in the main the problem, in accordance with the theory of *laisser faire*, was left to solve itself. It did solve itself, after a fashion, by manual workers accepting any wage offered and so forcing the sale of their labour power ; thus the miners of South Wales, after a brief strike, returned to work at six shillings a week, with bread at eighteen pence per gallon loaf. The Elizabethan Poor Law, wretchedly as it was administered, secured the country against revolution, but the economists, with Harriet Martineau for their mouthpiece, clamoured for its abolition. Their theory was simple enough ; unemployment was rife because the supply of

labour exceeded the demand ; the cure was to increase the effective demand for labour by reducing its price ; and reduction of wages would, in course of time, reduce the supply of labour by increasing the death rate and decreasing the birth rate, provided the beneficent working of " natural law " ceased to be interfered with by the " artificial " Poor Law which encouraged births and discouraged deaths.

The Poor Law remained, and it was in vain that postponement of marriage and marital restraint was preached to a demoralised and illiterate proletariat. Young men saw no sense in postponing marriage after they had attained their maximum earning power ; overcrowded cellars and hovels did not conduce to marital restraint ; poverty drove the children into the labour market at ages ranging from four to eight or nine years, and the parents who married at twenty had the better chance of being supported by their children when, at forty, their own powers decayed. The philosophers of the Malthusian school were probably right in their opinion that if poor law relief had been abolished, the aggravation of malnutrition would have impaired fertility and reduced the birth rate as well as increased the death rate ; they were pretty certainly mistaken in supposing that prudential restraint would have been encouraged in any appreciable degree.

The solution of the problem came in another fashion. Professor Laski has recently disinterred [1] two speeches made in 1825 by John Stuart Mill in a joint debate of the London Debating Society and the Co-operative Society founded by the disciples of Robert Owen, in support of the proposition that the tendency of population to outrun the increase in the means of subsistence was the main cause of human misery, and restriction of births the only cure. He admitted that if, by a miracle, a new island were to spring up in the Atlantic for occupation by the

[1] *Journal of Adult Education*, October 1929.

surplus population of the British Isles, the necessity for such restriction would be postponed for many years, but it was imprudent to trust to miracles. But the miracle was actually happening. That same year (1825) Parliament passed the Bill enabling locomotives to be used on the Stockton and Darlington Railway; in 1826 the "Curaçoa" was built in Dover; in 1827 she crossed the Atlantic under steam from Rotterdam to the West Indies, and steam transport by sea and land thus initiated did even more to make increased means of subsistence available for the population of Britain than Mill's hypothetical island. Though for half a century after that debate population grew with rapid acceleration, the means of subsistence increased much more rapidly. England and Wales can to-day feed a population of thirty-nine millions odd more amply and luxuriously than that of twelve millions odd could be fed in 1825.

In the Elizabethan age something approaching the ideal of the Philosopher-King was attained in such men as Sir Thomas More, Lord Burghley, and Lord Bacon, who were at once profound thinkers and responsible administrators. In the beginning of the nineteenth century the cocksure exponents of immature economic theory, who dignified the inferences they drew from hasty assumptions about human nature and meagre observation of contemporary conditions with the title of "Laws," were listened to by Parliament with reverential awe. By a natural reaction, in the second half of the nineteenth century there was a divorce between theory and administration with regard to unemployment as with regard to many other social problems. What action was taken from time to time was fundamentally opportunist, while those thinkers who endeavoured to throw fresh light on the causation of unemployment failed to impress the public mind. We have therefore, from this point, to treat the two lines of development, in thought and action, separately.

In the region of theory, the two aspects of the problem first considered were (1) the nature of the demand for labour, and the conditions which determine generally the relation it bears to the supply, and (2) the causes of bank crises, which mark, in the more extreme cases, the transition from a " boom " to depression of trade, *i.e.* from brisk demand for labour to wide-spread unemployment.

On the former question Mill started a fruitful line of enquiry when he made the statement, commonly regarded as paradoxical, that " A demand for commodities is not a demand for labour," but he never thoroughly elucidated the ideas involved. It may be asked, for example, " Is not the demand for coal a demand for the labour of miners ? " The answer is, No, not taken by itself ; we might want coal very badly, and be willing to pay high prices for it, but no miners would be employed in consequence unless there were also (1) coal in the crust of the earth ; (2) the knowledge of its whereabouts and of the measures necessary to extract it ; (3) the shafts, winding apparatus, pumps, machinery for ventilation, required to bring it to the surface ; (4) the means of feeding and of supplying with other necessities of life the miners and other necessary workers ; (5) a business organisation, appropriate to the social conditions of the time, for working the mines and transferring the coal to consumers ; and (6) sufficient maintenance of law and order, of protection of life and property, and enforcement of contracts, to enable the industry of coal supply to be carried on. All of these are necessary ; if any one is lacking, demand for coal does not create an effective demand for labour.

In other words, the demand for labour is a composite, made up of demand for commodities, combined with the supply of all the other necessary factors of production. In Mill's view and that of his contemporaries, the demand for commodities—if not for any particular commodity, at least for " commodities in general "—can always be relied on. But the extent to which an increased demand

for commodity *A* will help the workers producing commodity *B*, the demand for which has fallen off, depends on industrial mobility, which is by no means so perfect as the nineteenth century economists assumed. For lack of such perfect mobility, the increased demand for petrol does not help the unemployed coal miner, nor that for motor cars the Lancashire cotton operative on short time. The demand for labour is not a demand for the " abstract labour power " of Marxian economics, which is a mere figment of the imagination, but for the services, at a particular time and place, of individual human beings endowed with particular abilities and aptitudes. The vagaries of commodity demand are therefore a constant source of unemployment for great numbers of workers, and constitute one of the problems which unemployment policy has to deal with. This is, indeed, the feature of the situation which is most fully recognised in practice. The solution, to which we must recur later, obviously has to be sought along the lines of either increased industrial mobility or regularising of demand.

Meanwhile we return to the line of enquiry which Mill suggested. Demand for labour is dependent on the supply of a number of other necessary factors of production ; it would disappear if any one of them were completely absent ; it is diminished when any one of them is supplied inadequately or at too high a price. Those other factors were termed by Mill's contemporaries and predecessors " land " and " capital," to which categories modern economic textbooks add " organisation." The terms, however theoretically justifiable, are apt to obscure the problem, as they do not, to the ordinary mind, convey any clear idea of the various matters so lumped together, which have to be borne in mind when we seek to enquire what it is that is lacking when the extent of unemployment is greater than can be accounted for by the shifting of consumers' demand from one commodity to another.

Mill's answer was that the defect would be found in that factor which we have put fourth in the illustrative instance of coal, the supply of consumable goods needed to maintain the workers employed in production, which was termed " wage capital," and that the demand for labour depended on the magnitude of the available fund of this part of the nation's capital. Obviously it is impossible to employ workers unless there is the wherewithal to feed and clothe them during the period which elapses between the time they are engaged and the time when the produce of their labour is secured ; equally obviously there has never been a time since Mill wrote when Great Britain has not been in possession of sufficient command over consumable goods to maintain many more than the actual number of workers employed. The difficulty has been of another nature. The store of consumable goods, which is being continually depleted and resupplied, belongs to owners from whom it must be purchased ; employers must supply employees with the funds for the purchase, and must therefore obtain those funds somehow, and they usually obtain them by overdraft, or by some other method of borrowing loanable capital. Such capital is usually available at a price, but the price varies. When the discount rate of the Bank of England was at $6\frac{1}{2}$ per cent. the " Big Five " banks were charging $7\frac{1}{2}$ per cent. on overdrafts. It is obviously much more difficult, other conditions being equal, to carry on a business and employ labour when $7\frac{1}{2}$ per cent. has to be paid for accommodation than when loans can be obtained on the same security at 4 or 5 per cent. The natural inference is that the high average rate of interest that has prevailed since the war is one of the most important causes of the exceptional intensity of unemployment now in its tenth winter.

Against this view it is argued that there have been times when the Bank of England discount rate has been high, and employment brisk ; and times when it has been low and the percentage of unemployment high ; that, in fact,

the record of pre-war experience shows this state of affairs to have been more usual than the opposite combinations. This argument is, however, delusive. The nominal rate of interest is one thing, the real rate another. To ascertain the latter it is necessary to take into account changes in the purchasing power of the unit of money. If prices rise, the purchasing power of the pound falls ; if prices fall, the purchasing power of money rises. If, therefore, a man borrows money for business purposes for one year at a nominal rate of 5 per cent., and during that year average prices rise 5 per cent., he is practically getting his loan for that year free of interest, since the £105 which he repays has the same purchasing power as the £100 which he borrowed ; if on the other hand they fall by 5 per cent., the real rate of interest he pays on the purchasing power he has borrowed is not 5 but 10 per cent. In the former case the borrower gets an unearned increment to the profitableness of the bargain at the expense of the lender ; in the latter the lender gets that unearned increment at the expense of the borrower. Hence, *an expectation of rising prices* encourages borrowers, business enterprise, and therefore reduces unemployment, and an expectation of falling prices has the opposite effect ; and when the prevalent expectations have been in accordance with the actual facts, we have had, as normal experiences in the past, either (1) high nominal rates of interest combined with rising prices, low real rates of interest and little unemployment ; or (2) low nominal rates of interest combined with falling prices, high real rates of interest and much employment. This argument is based on the assumption that the rise or fall of prices is general and arises from fluctuations in the supply of money or credit ; to a manufacturing country like Great Britain a rise in the prices of food-stuffs and raw materials, if caused by bad crops and scarcity, is a disaster of which the effects on employment are only partially mitigated by the fall in the purchasing power of money, which, however,

enables the employing class to transfer part of the loss to the creditor class, and part of it to the receivers of wages and salaries.

Mill's doctrine therefore may be restated in the form—"A shortage of loanable capital available for business enterprise, expressing itself in high *real* rates of interest, tends strongly to diminish the effective demand for labour and to increase unemployment." In this form it appears to be both valid and highly applicable to the present situation. For, since May 1920, we have had both high Bank rates and prices falling, sometimes rapidly, sometimes slowly, but always trending downwards, so that while the nominal rate of interest has been high, the real rate has been higher still. What specially aggravates the present situation is the fact that when the Bank rate is high and is expected to fall, enterprises dependent on borrowed capital are postponed as long as possible to get the benefit of the lower rate. To the enquiry into these unusual and disastrous combinations of falling prices, which should normally produce a low Bank rate, with actual high rates ; and of depressed trade, which should normally, by reducing demand for loanable capital, reduce its price expressed in interest, with a failure of that price to fall, we must return in a later chapter.

New light on the question of the fluctuations in the demand for labour was thrown by Jevons not long before his death in 1882, by what is popularly, but most unfortunately, known as the theory of the causation of Commercial Crises by Sun Spots. In so far as his theory was economic it had nothing to do with sun spots. That part of it was an unlucky incursion into meteorological and astronomical hypotheses, which have not been confirmed by subsequent research into meteorology and solar physics.

Disregarding these excrescences, Jevons' theory was as follows :

During the eighteenth and nineteenth centuries commercial crises in Britain had recurred, with a high degree

of regularity, at intervals of about ten years. That period may therefore be termed the Trade Cycle, which is marked by the successive phases of (1) rising commercial confidence, and improving trade and employment; (2) boom of trade, and excessive speculation; (3) collapse of the boom; (4) trade depression; (5) passing of the depression and the beginning of recovery. Each phase prepares the way for the one that follows. When the leaders of industry and the more speculative investors are optimistic, existing productive plant is more fully employed and new capital is devoted to the erection of buildings and making of machinery; transporting and distributive industries have larger volumes of goods to deal with; producers of raw materials dispose rapidly of their stocks and endeavour to increase their output. In all these fields the sums paid out in wages increase, and by the spending of the increased wages the swelling output of consumable goods is for a while fully disposed of, and prices show a tendency to rise. This induces speculative traders to buy in advance in anticipation of a further rise in price, and these very purchases produce for a while the further rise anticipated; and the output is still further stimulated, particularly when new productive plant contributes its quota. But the ultimate consumers no longer expand their purchases in proportion, some even, having already restocked their domestic stores of clothing, etc., buy less than in the earlier period of reviving trade; and so warehouses begin to fill again, and speculative trade, carrying heavier stocks, requires more bank credit, which it gets with increasing difficulty and at higher rates of interest. Sales by the weaker holders then check the rise of prices and initiate a decline, which speedily causes buyers, among wholesale and retail traders alike, to postpone purchases in the expectation of a further fall in price. Again the expectation produces the very result expected; the margin of security on loans is reduced, borrowers are requested by banks to reduce

their overdrafts, forced sales multiply, in extreme cases bankruptcies become frequent, and in the days of numerous small and weak banks a proportion of these would commonly stop payment, thus extending the range of the infection of failure. The disappearance of speculative purchases and the partial satisfaction of consumers' needs out of stocks reduce the demand from the manufacturers for current production, the available plant is no longer fully employed, and to the extent that it is possible the creation of fresh manufacturing plant is stopped. Thereby unemployment spreads rapidly in such industries as building, machine construction, shipbuilding, steel and iron production, coal mining and transport; and the loss of wages thereby effected reduces the total demand for consumable goods. This prolongs the depression and postpones the time when stocks are cleared; but that time comes ultimately and prices cease to fall, a more optimistic spirit animates the business world, and a new and similar cycle is initiated. The extreme fluctuations are to be found in the constructive industries, *i.e.* in those engaged in the creation of what early nineteenth-century economists called "fixed capital," so that, in the American phrase current in the period before the launching of the U.S.A. Steel Company (the "Billion Dollar Trust"), "Steel is always either king or beggar."

Since Jevons directed the attention of economists to these phenomena, other writers have pushed further the detailed analysis, particularly with regard to the working of the psychological factor and the part played by the variation in the supply of bank credit, which, it is held, is apt to be too easy during the period of commercial optimism when prices are rising, and too restricted when they begin to drop. They have thus tended to look for the explanation of the trade cycle within the scope of its own manifestations, to regard it merely as the swing of a pendulum. Jevons, on the other hand, busied himself

with the enquiry as to whether there was not some external force which set the pendulum swinging. He detected such an external force in the variability of some of the factors of production which the economic text-books lump together under the somewhat misleading term "land," namely, sunshine and rain.

Manufacturing, transporting and distributive industries all depend upon the extractive industries. For example, the urban population of Great Britain depends on the agricultural and pastoral industries of various countries for food, for cotton, wool and other raw materials, and for much of its market. Given ample supplies of raw material and an elastic market, manufacturing establishments can easily increase their output and, by reducing the proportion of overhead charges, make increased profits with unchanged prices. Favourable agricultural seasons and good crops supply agricultural populations with the means of purchasing manufactured goods, and manufacturing countries with the raw material for the textiles which those agricultural populations specially want to buy. Seasons and crops vary in all countries, but most in those which depend on monsoon rains, such as India, most of China, Egypt (the Nile floods are the result of the monsoon rains in the Abyssinian mountains), and large areas in Australia, South Africa and North and South America. In the absence of records, Jevons accepted current theories to the effect that variations in monsoons were attributable to variations in the emission of heat from the sun, and that this emission increased and diminished in cycles of ten years approximately. If this had been so, good monsoons or bad ones would have prevailed in the same years in all monsoon countries. Actually nothing is known as yet about the variations in solar emission of heat, reliable records only having been taken since the establishment of the Mt. Cook observatory; and the Indian Meteorological Service has come to the conclusion that the variation in the monsoons in India must be attri-

buted not to solar but to terrestrial conditions, for example, the varying quantity of snow on the Himalayas. On the whole the total agricultural output of the commercially developed parts of the world, that is, the agricultural output that affects the world market, does not vary very greatly from year to year, and the variation does not take the form of any simple cycle, either of ten years or more or less. If there is a cycle for favourable and unfavourable seasons, it is a complicated one.

Nevertheless the dependence of manufacturing industries, and of the power of Great Britain to offer full employment to workers, on home and foreign agriculture for food, raw materials and markets, which is the basis of Jevons' argument, is a fact the importance of which has been unduly overlooked by most subsequent writers. The observed phenomena of the trade cycle become unintelligible when it is left out of account. For commerce is exchange of goods for goods, and the effective demand for goods offered for sale is the supply of other goods which the sellers need. Hence increase of output of all sorts of goods should in theory provide the increased purchasing power needed for their disposal. Nevertheless, here in Britain we continually find our total output of the goods we produce at times outrunning the effective demand, and at times falling short of what could be sold at the pre-existing level of prices. The explanation of this puzzle is to be found in the fact that the demand of agricultural populations for manufactured goods is an important part of the effective demand; that the effective agricultural demand for those goods is the surplus which agriculturists put upon the market after allowing for their own consumption; and that the variations in their output are governed by conditions outside the trade cycle. If there were no variations at all in the commercial output of agriculture, the world's agricultural population would buy more manufactured goods when prices fall and less when they rise. Hence, apart from the

variations of seasons, the effect of the dependence of manufacture on agriculture upon the trade cycle is to supply the force that operates to check expansion of manufacturing production in time of boom and to facilitate recovery from depression. What seems to us like over-production of goods in general may be, and perhaps usually in the past has been, only relative over-production of the goods we produce and export, and relative under-production of those sorts of goods which we import.

Further, variation of seasons in agricultural areas in commercial touch with Britain by no means invariably neutralise one another. Our own wretched harvests in 1816 and 1879 contributed very greatly to the severity of the depression of trade at those times. The Irish potato famine of 1845 did not prevent the boom of trade caused by the Railway Mania, but it aggravated the rise of prices caused by the great rush of capital into railway building and thereby intensified the crisis of 1847. The great Indian famines of 1877-8, of 1898-9 and of 1918 and 1920 have also played important parts in the fluctuations of the British labour market.

Recent history, however, indicates that wars have been the most powerful of the external causes which have set up commercial fluctuations, which, once started, tend to repeat themselves according to the mode of the trade cycle. The dates of the crises of trade cycles, that is the dates when " boom " ceased and " slump " began, during the hundred years intervening between the Napoleonic War and the Great War, were 1815, 1825, 1836, 1847, 1857, 1866, 1873, 1882, 1890, 1900, 1907, 1913. In passing we may note that in so far as inferences can be drawn from the mere chronology, it appears that there was a tendency for the period of duration of the trade cycle to shorten ; also it would appear that each war of any importance tends to bring a brief boom of trade, which is a boom of prices rather than of output, followed

by a longer period of depression. The shortening of the period of the trade cycle appears to be due to the acceptance by business men of the belief in trade cycles, so that either in times of depression or prosperity they expect a swing backwards of the commercial pendulum, and hope to profit by slightly anticipating it. This has also tended to mitigate the phenomena, by increasing caution in times of over-confidence, and encouraging enterprise during the reaction. But in recent years all attempts to create prosperity by talking prosperity have failed. The psychological factor in trade cycles is important, but it has not the dominating influence attributed to it.

It is unfortunate that the correlation with wars has been so little regarded. The boom of 1814 came with the opening of the Continent to British trade on the retreat of Napoleon from Moscow. It was followed by the deep depression of 1816-1819, caused largely by the impoverishment of Europe by the Napoleonic wars. The revival of trade between 1820 and 1825 was turned in 1824 and 1825 into excessive speculation and a great bank crisis by the revolt of the Spanish colonies in South America, which excited exaggerated expectations of a great increase in export trade to that continent. The Indian Mutiny and the Crimean War combined to produce similar effects on a smaller scale in 1857 ; as did also the Franco-Prussian War in 1873 and the South African War in 1900. All this is easily intelligible, for while the demand for food is insistent and urgent (as the Tamil proverb says, " When the stomach cries out you must listen, or for ever be deaf "), the demand for new clothes, to a less extent for new boots, and to a greater extent for crockery, furniture, etc., can be held up for a time, and is so held up largely during a war, to be liberated when the war is over ; hence brief post-war booms in trade. But war destruction reduces effective demand, and its impoverishing nature is manifested later. Hence the subsequent prolonged depressions.

Other theories with regard to the phenomena of unemployment have been put forward which require some attention. The publication fifty years ago of *Progress and Poverty* by Henry George revived the doctrine of Robert Spence that the persistence of poverty side by side with an ever-growing power of production is due to the private ownership of land. Rent, in so far as it is payment for access to the gifts of Nature, in the form of the soil, of all that is useful beneath the surface of the earth, the sunshine and rain that fall upon it, and the sites needed for residence and industry, apart from what extra value or utility may have been added by human effort, should be collected entirely by the State as the representative of the whole nation, and returned to the nation in the form of communal services. To do this, it is urged by at least the more thorough-going disciples of Henry George, would put an end to unemployment by making it possible for unemployed manual workers to maintain themselves by working on land, portions of which they would be able, we are apparently given to understand, to secure as tenant holdings by offering to pay the full economic rent. At present, it is urged, much land is unused, or used inadequately, either because it is held up by speculators, or because landowners levy a sort of blackmail on public and other enterprise which has to acquire land, as for instance, for water-works, cottage building, street improvement and the like ; or again because they sacrifice both something of their own incomes and more of the public wellbeing to their private fancies and pleasures, such as fox hunting and stag shooting. If only the *de facto* owners had to pay the full economic rent to the *de jure* owner, the nation, they would be compelled, it is thought, to put the land to the use which would give them the largest net income, and this use, it is assumed, would also be that which would conduce to maximum social wellbeing. No interference with the freedom of occupiers to utilise the land as they thought fit would, according to this doctrine,

be either necessary or desirable. The collection of the economic rent of the land by the State would, it is urged, render unnecessary all taxation which tends to hamper industry, and, freed from this handicap, industries of all sorts would flourish, the unemployed would be absorbed, while the possible alternative of working independently on land now kept out of productive use would enable manual workers to put a reserve price on their labour.

If I have, as I believe, stated this theory fairly, it obviously contains fallacies ; but I believe also a considerable measure of truth. Here we may note that the possibly excessive tenderness of our tradition towards rights of private property generally, and rights of private property in land particularly, is frequently a serious obstacle to measures which otherwise could more feasibly be undertaken to reduce unemployment. In legal theory, we are told, no private individual can own land, but only an " estate in land," which he holds as a tenant under the Crown on such terms as the King prescribes. On the other hand, over a long period of time, the economic theory was held that as full and unfettered control by individual landowners as possible was necessary in the public interest ; Adam Smith, for example, though a sufficiently keen critic of landlordism, held this view, on the ground that Crown lands always were, and always would be, vilely managed. He was no doubt right with regard to his own time ; but it will hardly be disputed that to-day the Crown lands, and lands held by local authorities such as County Councils and Parish Councils, are more beneficially used than the average of lands of equal area and quality administered by private persons. The ancient privileges of the Crown are the present inheritance of the people, and should not be permitted to lapse or to be forgotten.

Further, the pressure of rent of agricultural land aggravates any depression of trade due to falling prices

and currency appreciation, since rents become automatically heavier in such circumstances. The period 1873 to 1893 was marked by steady appreciation of gold, falling prices of commodities generally, and especially falling food prices. The pressure of rents upon British farmers during this period became heavier, even though, after the disastrous year of 1879, rents reckoned in money were reduced ; and this increased pressure helped to drive farmers into less intensive methods of cultivation and economy of labour, and hence to swell the numbers of the unemployed.

In this respect, however, mortgage interest, if equivalent in amount, is a heavier handicap to agriculture than rent, as a landlord is more ready to regard himself as a sleeping partner of his tenants than a moneylender is of his debtors, and is more likely to feel it incumbent on him to help them through a period of financial difficulty brought about by causes outside their own control.

Towards the close of the Napoleonic War many English tenant farmers bought the farms they occupied, at prices based on the famine prices which had been current, with the help to a large extent, no doubt, of borrowed money. Then came the slump in prices which induced Parliament to pass the Corn Law of 1815. In 1816 one-third in number of all the banks in England and Wales stopped payment. These facts may well be connected, as it was the failures of their agricultural creditors which, in almost all cases, broke the banks. Similarly, during the false boom of 1919-20 many English landowners sold their land, and tenant farmers made great sacrifices and strained their resources to buy the farms they occupied at many years' purchase of the rents, and consequently are now committed to the payment in interest on money borrowed for that purpose of amounts heavier than their previous rents. Their liquid resources also being depleted, it is not surprising that their power of employing labour is reduced. On the whole our system of land

tenure and the landlord-tenant-farmer-agricultural labourer system seem to be less efficient and less advantageous socially than the peasant-proprietor systems of some European countries like Denmark and most of Germany.[1]

Towards the end of the nineteenth century the theory that the crises of unemployment are due to under-consumption became very popular in Socialist circles, and was elaborated by Mr. J. A. Hobson. This theory is summarised by Mr. Hobson in the article " Unemployment " in the 14th edition of the *Encyclopaedia Britannica*, and, still further condensed, is here stated as follows :

There is at any time, in any country, an optimum ratio in which the productive power of a country may be used, on the one hand, in the production of consumable goods, and on the other in creating additional productive plant. The productive power of a modern industrial society easily produces a surplus of consumable goods in excess of what is needed to maintain the producers of those goods, and this surplus can be, and is at any time partly, utilised to maintain producers of new plant. But if too large a part of that surplus is so used, if, in other words, there is excessive saving, when the new plant so created functions by putting an additional supply of consumable goods on the market, the total amount of that supply is in excess of what can get bought and consumed. There must then ensue " a slowing down of the entire process of production and a stoppage of the worse equipped and worse placed plants."

" As this productive plant slows down or stops, a corresponding body of unemployment is created. Real and money incomes are thus reduced : profits, the main source of industrial savings, shrink, most other business incomes fall, so that the proportion of savings is let down

[1] Two recent booklets, *A Danish View of British Farming*, by Jakob E. Lange (1928), and *The Land*, by Lord Bledisloe and Christopher Turnor (1929), may be recommended as brief, unbiassed and well-informed statements of the case.

for a time far below the true normal. Spending does not fall proportionately, so that gradually the congestion of the economic machine is released, goods being taken out faster than they are replaced. Weaker firms, during the depression, have gone out of business, and little new plant has been created." Thus the balance between production and consumption is restored, and then upset in the opposite direction, the period of under-consumption and over-saving being succeeded by a period of over-consumption and under-saving.

Since over-production means production in excess of consumption, and under-consumption, consumption in defect of production, it is not easy to see what is new in this theory as an analysis of the trade cycle. In this respect is seems to be equivalent to saying that the trade cycle is produced by the alternation of periods of over- and under-production, without offering any new suggestion, scarcely even any suggestion at all, as to what sets the pendulum swinging.

The novelty of the theory consists in the inference which is drawn from it, that if a larger proportion of the produce of industry were paid in wages to workers, who commonly spend as they go, and a smaller proportion went as salaries, commissions, rents, interest and profit, to the propertied and investing classes, to be spent as fancy chooses on luxury goods or productive plant (on, say, orchids, motor cars, jewels and balls ; or on foreign travel, donations to hospitals and universities ; or on new railways in South America and loans to foreign governments ; or on factories and docks at home), the margin between what may be spent on creating new productive plant, and what can advantageously be so spent, would be reduced. Excessive expenditure for that purpose being thus diminished, the check on continued expenditure at a normal rate would be removed. Increased spending by the richer classes on luxury goods would not serve the same purpose, because the particular form such

spending may take cannot be calculated beforehand, and all producers who cater for such a demand must be prepared to expand or contract their output at short notice, and therefore require a relatively large reserve force of employable workers who are frequently unemployed. The forms which the demands of weekly wage-earners will take, on the other hand, can be calculated with fair accuracy ; high and steady wages therefore conduce to the stability of markets and to the prevention of crises of unemployment.

These contentions, however valid they may be,[1] appear at the present time to be much more pertinent to the problem of unemployment in America than in Britain. Our own economists tend rather to think that wages with us are too inelastic, that the lag in time between rise or fall in the general rate of profit in any industry and the corresponding movement in wages is too prolonged, and that the general prosperity of industry would be enhanced, unemployment less, and real wages—particularly if psychological as well as material gains are taken into account—higher, if employers were quicker to grant increases of wages when they can be afforded, and trade unions readier to accept decreases when otherwise business can only be carried on at a loss. In a country which depends for its very daily bread on imports, and hence, for the continued maintenance of the population, on finding export markets to secure the power to buy imports, the doctrine that unemployment can be reduced by mere raising of wages, apart from an increase in industrial efficiency, does not appeal much even to Trade Union leaders. On the other hand, the conviction that the State, the " Captains of Industry," and workers of all ranks must work together with the maximum amount of mutual understanding, and the minimum

[1] In this connection let it be noted that " consumption " in the economic sense means putting things to the use they are fit for, *e.g.* of food by eating, of clothes by wearing them, of books by reading them, of homes by living in them. Hence whatever is not " consumed " in this sense is wasted.

amount of friction and mutual antagonism, is spreading among all sorts of thinking people.

This is, by itself, no solution of the unemployment problem. It is a necessary antecedent condition to the success of any possible measures for "rationalising industry," but to what extent the rationalisation of industry, *i.e.* the increase of output per worker employed, reduces unemployment, is another question, and one to which we return below.[1]

[1] Chapter XVIII.

CHAPTER XVII

UNEMPLOYMENT

II. RELIEF WORKS AND INSURANCE

UNEMPLOYMENT is a functional disarrangement of the body politic, and, as in the case of those functional disarrangements of the corporeal body which we call diseases, while it is necessary to investigate its causation, prevention and cure, in a spirit of detached scientific enquiry, it is also necessary to deal with the symptoms by prompt action, recognising that something must be done, and hoping that the something that is done will not ultimately do much more harm than good. For among the people concerned are the unemployed men and women themselves and the children dependent on them. They cannot blink the problem, whoever does ; their thoughts on it may be too emotional to be wise ; they may be mute, or the bitterness of their souls may, if they are left to starve in the midst of plenty, express itself in disorderly fashion, as when Bryan Waller Procter wrote : [1]

" From cellar and cave, from street and lane,
Each from his separate place of pain,
The unarmed millions come ;
The labourer with front of fire,
Starved children with their pauper sire,
With angry hum.
The good, the bad, come hand in hand,
Linked by a law which none withstand,
And at their head,

[1] *The Rising of the North.*

Flaps no proud banner, flaunting high,
But a shout, sent upward to the sky,
Of ' Bread, Bread ! ' "

We do not now deny the unemployed bread, but we still fail to secure for them a great deal of what they feel is due to them in common justice. To quote Mr. Davison, their cry now is " We want work at wages, not charity, not doles " ; and, " being willing to work, they find it impossible to believe that wage-earning employment cannot somehow be found for them." [1] Among the unemployed there are the unemployable, though in view of the efforts which are continually being made with some measure of success to place the blind, the deaf, the mentally deficient, and the ex-prisoner in wage-earning occupation, it is difficult at any time to draw a line between the employable and the unemployable, and the line also shifts from time to time as the intensity of the demand for labour varies. But among the unemployed there are also always numbers, and in some times great numbers, of workers who, at least when they were thrown out of employment, were of average working efficiency and human quality ; and because they cannot maintain that efficiency and quality through a prolonged period of unemployment the justice of their claim for work and wage is now admitted. But who is to organise the work, and who is to pay the wage ? That is the problem which has confronted many nations at many times, and which confronts us to-day.

Under Queen Elizabeth the answer given was that, as far as possible, landowners and merchants must be compelled to provide work and wages ; and if they fail the parishes must take up the task. When, later, government was taken over by the landowners and merchants, compulsion was dropped, but parishes were still held responsible, both by law and by public opinion, for the performance of a social duty which tended to become

[1] R. S. Davison, *The Unemployed* (1929), p. 30.

increasingly beyond their powers. The breakdown of the Elizabethan poor law necessitated its drastic alteration, and the New Poor Law of 1834 was in consequence enacted. But the principle that, in so far as any responsibility was recognised towards the unemployed, it rested with the local poor-law authorities to discharge that responsibility, was maintained. They now, however, did so under the guidance of a central authority, and of a pretty clear understanding that the condition of "less eligibility" must apply to any arrangements for providing work into which they entered. The penalty for non-observance of this condition was self-acting and adequate; it was increase of the poor-rate. Accordingly, when in any Union it was found necessary to do something, the ordinary expedient was to open a labour yard and to set applicants to a task of stone breaking, oakum picking, or wood chopping. In return, out-door relief was allowed to the applicant and his family. The economic theory behind this policy was that an unemployed man could ordinarily get work if he was capable of doing it and was sufficiently in earnest in his efforts to get it, and that, therefore, the first object of public policy should be to stimulate to the utmost the "spirit of independence" and fortify the resolve of the unemployed to exhaust every other possibility before applying to the Guardians.

On two occasions during the half-century that elapsed after the passing of the 1834 Poor Law this attitude had to be abandoned in the face of industrial calamities. The first of these was the Irish Famine of 1845-7; the second, the Lancashire Cotton Famine of 1861-5.

Though the Irish potato crop failed in 1845 and 1846 the resulting famine was a money famine rather than a food famine; for even in those years Ireland produced enough food to feed the whole population without any importation; and "during the whole time that the people were perishing of starvation, scores of ships left the Irish ports every day for England laden with

corn." [1] A prompt moratorium for the payment of rents, together with a temporary prohibition of export, would have, at the very least, greatly mitigated the disaster; but that idea does not seem to have occurred even to the Irish tenants. The Irish Poor Law allowed for nothing but in-door relief; this rule was relaxed, and the Boards of Guardians were allowed to attempt the organisation of relief works; in which, later, the Irish Local Government Board took a hand, borrowing from the War Office the services of non-commissioned officers of the Royal Engineers to supervise road work. But the resources available, both of money and of organising ability, and of sympathy on the part of the British Cabinet and Parliament, were inadequate in the extreme. Private charity was given more abundantly, but not sufficiently to prevent wholesale slaughter by starvation and pestilence. But Ireland is not England, and English faith in the virtue of *laisser-faire*, and in the wisdom of the repudiation by the State of any responsibility for the economic welfare of the population, remained unshaken.

The Lancashire Cotton Famine, again, produced a crisis which had to be recognised as exceptional. The outbreak of the American Civil War in April 1861 was speedily followed by a blockade of the cotton-exporting ports of the Southern States. The world was ransacked for raw cotton; the weak and short-stapled growth of India reached such a price that ryots were known to have tyres of silver put on their cart-wheels, and great fortunes were made in Bombay, mostly lost later in wild speculation. On the American coast blockade-running paid if two successful trips could be made before the blockade-runner was captured with its cargo. Nevertheless, the supplies obtained annually fell to little more than one-third of the import of 1860. The shortage and high price of raw cotton threw thousands of cotton operatives out of work, and other Lancashire industries were affected. In

[1] P. W. Joyce, in *Social England*, vol. vi. p. 340.

these circumstances the policy of driving the unemployed to go anywhere and do anything to get some sort of subsistence rather than accept public assistance was clearly inadmissible. Though the shortage of the raw material was prolonged it was bound to end, and the acquired skill of the cotton operatives was the basis of the prosperity of the country's greatest export industry. For the sake of the future of that industry it was necessary that unemployed operatives should be available to meet the demand for labour when the released supply of raw cotton should arrive, and the unsatisfied and postponed demand for cloth should call for a greater output than ever. Instead, therefore, of "offering the house," Guardians were encouraged to give out-relief on exceptionally easy terms; and, after the distress and the numbers of unemployed had gone on increasing for two years, local authorities were empowered to raise loans for works of public utility which would enable some few of the unemployed to earn their own maintenance. "It so happened that sewerage and street improvements were urgently needed; it was therefore easy to satisfy the first condition that the works should be of unquestioned utility. No less than 133 miles of streets were improved during the two years 1863 and 1864, and one all-but-immortal monument to the relief works still remains in the granite setts or cobble stones with which so many of the cotton towns are paved. . . . Men were divided into small gangs and given a probationary period of training for about four weeks. Then they were put on piece-work and encouraged to earn more than the minimum pay. Inefficiency meant discharge. Efficiency meant regular and continuous employment. The vital matter of clothing was attended to by the Relief Committees, who issued suitably stout apparel and heavy boots, indispensable to the proper performance of wet and heavy work." [1] While the scope of the relief works was relatively small, the

[1] Davison, *op. cit.* pp. 30, 31.

number of men employed on them being never more than about 7 or 8 per cent. of those thrown out of work, the work done by those who were so employed was good value for the wages paid. In other words, the common sense was then displayed which has been so woefully lacking in almost all other attempts of public authorities in this country to cope with distress from unemployment by setting unemployed persons to work.

From 1865 to 1885 the unemployed were again left to the tender mercies of a repressive Poor Law administration, except in so far as they were members of Trade Unions which gave Out-of-Work Benefit. But by the Reform Act of 1885 the Parliamentary electorate was enlarged from about three millions of voters, of whom one million were manual workers, to five millions, of whom three millions were manual workers. By degrees the spirit of the administration responded to the change in the electorate. In 1886 Mr. Joseph Chamberlain, as President of the Local Government Board, issued a circular urging that there should be concerted action between Boards of Guardians and municipal authorities for the employment on relief work—for short spells, paid at less than standard rates—by the municipalities, of as many men as possible recommended to them by the Guardians. The advice was largely followed. Subsequently, whenever in the vicissitudes of the trade cycle the numbers of the unemployed exceeded the average, municipal relief works were undertaken in London and most of the industrial towns ; and in 1905 the Unemployed Workmen Act was passed in order to provide what was considered to be the most suitable machinery.

The working of the 1905 Act is the main subject of Sir William Beveridge's well-known book, *Unemployment a Problem of Industry* (1909), and it was also investigated by Sir (then Mr.) Cyril Jackson and the Rev. J. C. Pringle for the Poor Law Commission of 1905-1909, the effect of whose report, combined with that of such oral evidence

as they received, was that " neither the Majority nor the Minority of the Poor Law Commissioners could find a word to say in favour of the expedient." [1] As a rule the commercial value of the work done was miserably small compared with the cost, and frequently it was done under conditions tending rather further to demoralise the men taken on than to maintain their self-respect and efficiency. The general conclusion reached by many observers was that it would have been more economical and more satisfactory on the whole to have distributed the money paid in wages in the form of charitable gifts. As, however, my own experience was somewhat exceptional, it seems worth while to put it on record. The passing of the Unemployed Workmen Act was preceded by an experiment initiated by Mr. Walter Long, as President of the Local Government Board, for London separately. Each Metropolitan Borough Council was asked to create a local " Joint Committee " with representatives of the Boards of Guardians and private persons experienced in dealing with distress, while a " Central Unemployed Body " for London as a whole was elected from these local committees, with representatives of the London County Council. The rates could be drawn upon for administrative expenses, but not for relief; but Mr. Long raised a fund privately by voluntary donations, which was put at the disposal of the Central Body.

In most London Boroughs the Town Clerk accepted the office of Hon. Secretary of the Joint Committee; but Woolwich had been severely hit by the discharges from the Arsenal; the numbers of the unemployed were not only much greater than in other London Boroughs but also they included a much larger proportion of high-grade workmen accustomed to regular work. The Woolwich Town Clerk, Sir (then Mr.) Arthur Bryceson, pointed out to me that in order that the work should be properly done it was necessary that whoever acted as Secretary

[1] S. and B. Webb, *English Poor Law History*, Part II, vol. ii. p. 656.

should give the work the first call upon his time, and that this was impossible for him, and at his suggestion I undertook it. Two especially of my colleagues, Mr. C. P. Larner of the Charity Organisation Society, and Mr. G. R. Hunter of the Woolwich Board of Guardians, gave their time and energies very freely, with the result that we proceeded on C.O.S. lines, radically different from those followed generally.

Like other Boroughs, Woolwich opened a register in the Town Hall, but first laid in a stock of printed foolscap application forms. Elsewhere the desire seems to have been to get the local unemployed to register completely ; in Woolwich we were so convinced that the total amount of employment we could offer would be utterly inadequate that we were anxious rather to deter the ordinary casual, or low-grade worker not unfamiliar with poor law relief, from coming on our register at all. Accordingly, as the applicants arrived, they were presented with our form, which asked for particulars with regard to age, previous occupation, number and ages of dependents, membership of a Friendly Society or Trade Union (as evidence of thrift), etc., and instructed to take these forms home, and bring them filled in at their convenience. This device moderated the flow to such an extent that it was possible, by sitting at the job as long as necessary, to interview the applicants who did as instructed without imposing long delays. Among the earliest we found an efficient clerk and engaged him as a whole-time worker at a moderate salary. This enabled us, in a short time, to release those members of his staff whom the Town Clerk had put temporarily at our disposal. The application forms were sorted and resorted, mainly with reference to the sort of work which each applicant seemed fit for, but also with some reference to the number of his dependents.

In the matter of finding work, our first effort was to get into touch with as many employers as possible who might be able to offer jobs to skilled men discharged from the

Arsenal ; and in this we had a considerable measure of success. In the second resort, the Borough Engineer had prepared a list of work on roads and sewers needing to be done, but which normally would be postponed. Quite rightly he refused in advance to set aside any of the navvies whom he had previously employed, or to allow any dictation as to whom he should employ, but he was ready to dilute his staff, and to notify us from time to time how many extra men he could take on. Accordingly we picked out those who seemed most likely to be suitable, chosen partly on their records, and partly on their appearance, and sent our selected men to the depôt, telling them that the Borough Engineer *might possibly* take them on. In almost every case he did ; and as the result of the winter's experience he reported that their work was nearly equal to that of his regular men, their greater zeal and determination balancing their lack of experience. To those whom the Borough Engineer rejected, and to our second choices for unskilled work, we allotted the places assigned to us by the Central Body for work under the London County Council, mainly in parks. Here again the report was that the best work in the London parks was that done at Eltham, where Greenwich and Woolwich men were employed ; and, privately, we were informed that the Woolwich men were much better than those from Greenwich. So far as these channels of employment were concerned we made fitness, and not need, the primary consideration ; though single men with no dependants had to be regarded as outside the scope of the scheme. But in selecting men to go to Hollesley Bay we gave much greater weight to the latter consideration, which was perhaps not quite fair to that experiment—which, however, was practically doomed to failure in any case by the lack of understanding and sympathy on the part of the Central Unemployed Body and the officials of the Local Government Board with the aims that inspired its originator, Mr. Joseph Fels. For

those to whom we could offer no employment there remained only, by way of public assistance, the Poor Law.

On the whole the Woolwich efforts to cope that winter with a great emergency were so much more successful than I had thought possible at the outset that I was myself extremely gratified, and I think that feeling was shared by my co-workers. But whatever merits our policy might have in our eyes it had little in those of the unemployed, and when the Borough Council elections came we were emphatically informed that it was very unpopular. This we might have foreseen. The thrifty and competent man to whom we gave a chance, by means of hard and unaccustomed labour, of tiding over a difficult time, felt, quite rightly, that he got no more than his due and had no reason to be grateful. His neighbour, whom we regarded as relatively unemployable, and to whom we did not offer even a day's work, resented the injury the more acutely because of the contrast, and resented, even more than the injury, the insult of the imputed inferiority. According to popular feeling the only just and fair thing was to abstain from all discrimination, to spread the available employment out thin, and to give everybody a turn. This course is fatal. Under such conditions the relief work does the unemployed no good, while the cost is increased beyond measure. But it is what is generally adopted, since popularly elected local authorities naturally bow to popular sentiment, with which the members themselves generally sympathise. If, therefore, relief works are advisable at all, the recruiting of those to be employed on them should not be entrusted to such authorities.[1]

[1] The sequel in Woolwich is perhaps worth noting. During the winter of Mr. Long's scheme it was supposed locally that as the staff in the Arsenal, swollen to meet the conditions of the South African War, had already been reduced to the pre-war level, no more discharges would follow, and that local conditions would speedily become normal. Actually, after a short interval, a fresh series of discharges began, in consequence of the pressure put on the Government by the great engineering and munition-producing firms to assign to them all the orders possible, and to reduce the men in the

Behind this the more fundamental question remains, whether relief work is not to be altogether condemned. It may be admitted that, at least in the British Isles, "relief work, as usually conducted, has been proved over and over again to be unhelpful to the State and actually lowering in its effects on the unemployed." [1] Is it possible that it might be so conducted as to have the opposite effects?

It is curious that in the discussion of this question the experience of the great field of experiment in the British Empire is never referred to. India is subject both to wide-spread under-employment and to recurring crises of unemployment, periods when vast numbers of workers can find, over prolonged periods, no remunerative work to do, and are thereby brought into danger of starvation through causes completely outside their own control. These Indian crises of unemployment are not, in this country, recognised as such, presumably because they are called "famines," which, in the ordinary meaning of that term, they are not. They are prevented from being famines because the State organises relief works on an adequate scale. The features of the Indian system which deserve note are:

(1) In every district a list is kept of projects, surveyed, estimated and sanctioned, ready for execution as soon as the emergency comes.

Arsenal to a mere skeleton crew, in spite of the extra cost involved and the lack of adequate guarantees that the same standard of workmanship would be maintained. Local energies were then exhausted in vain protests, and fruitless efforts to make the public understand that the Arsenal was being crippled, not in the interest of reduction of armaments, or of economy, or efficiency, but merely to enhance the prosperity of the private munition industry, of which the very existence is a potent factor tending to war. (See the author's *War or Peace, the National Control of Armaments*, Pioneer Press, Woolwich, price 6d.) The following winter the need of the unemployed was no less, and the local resources for meeting it greatly reduced. Ratepayers were impoverished, the most necessary sewer and road work had already been done. Woolwich, as has happened to many other local communities since, had to bear a burden more justly imposed on the Central Government.

[1] Davison, *op. cit.* p. 61.

(2) Every year, during the month before harvest, the rainfall and its distribution are closely watched, so that when failure anywhere is ascertained "test works" can be initiated, to test not the workers but the intensity of their need, a stiff task being imposed.

(3) If the numbers applying for employment are considerable, "relief works" begin, all applicants being taken on.

(4) The work available, being such as road making and improvement, sinking wells, improving tanks, digging irrigation canals, etc., is suitable for the bulk of those who apply. Able-bodied men dig, and, according to the custom of the country, women and children carry earth in baskets, and dress slopes. Gratuitous relief, supervised by voluntary non-official helpers, is distributed to people incapable of work at their homes, and poorhouses are opened at suitable places for orphans and destitute wanderers. Special measures are taken to assist handloom weavers who cannot dig by advancing yarn and disposing of their cloth.

(5) The wages paid in relief work are carefully regulated so as to be just sufficient for the maintenance of physical strength, and less than ordinary earnings, low as those are in India. In consequence, as soon as other employment becomes available the relief works are deserted, and as soon as the numbers presenting themselves have dwindled to insignificance the works are closed as jobs in hand are finished. The bare subsistence, however, afforded by "famine relief" is supplemented by charitable relief. In a severe "famine" as many as one-third of the population in a district may be receiving relief.

(6) In zamindari (landlord) districts advances are made to zamindars for improvements, chiefly tanks and roads, half of which are recoverable with interest, by payments spread over a term of years. Loans for improvements, termed *taqavi*, are also given to agriculturists for seed, bullocks, well-gear, etc.

It is unanimously admitted that relief works, as usually conducted *in India*, have proved both helpful to the State and exceedingly beneficial to the unemployed. Their success is made easier by the fact that the majority of the unemployed are agricultural workers accustomed to work of a similar character, and that it is generally possible to calculate, with fair accuracy, how long the pressure of unemployment will last. But also the carrying out of such a policy is only made possible by its being administered by a bureaucratic government, manned by picked officials with no private axe to grind, keen on their duty, and free from coercion by a popular electorate. Further, whereas at home, as the Webb's lament, no official attempt was ever made, up to the time of the Poor Law Commission, to preserve the record of British experience of relief works, and to learn the lessons of experience, in India each "famine" is followed by an official enquiry in order that mistakes and deficiencies may be avoided at the next recurrence.[1] The question, nevertheless, whether useful suggestions can be obtained from the study of Indian experience demands investigation.

What was done under Mr. Long's scheme in London, and more widely under the Unemployed Workmen Act of 1905, was the starting point of the most important developments of national policy in relation to unemployment since. In the first place attention was drawn to the fact that any particular sort of labour-power may be redundant in one locality and wanted in another ; that for a certain proportion of the unemployed there are, at any time, jobs waiting if they only knew of them. The early attempts of Distress Committees, particularly in London, to discover and fill such vacancies led to the passing of the Labour Exchanges Act of 1909, under which the national system was created, to be administered

[1] "The keynote of the whole business is the evolution of a definite policy and careful preparation in advance, followed by prompt action and minute supervision when the emergency comes. In England each of these is lacking." (Sir Richard Burn, in a letter to the author.)

then by the Labour Department of the Board of Trade, now by the Ministry of Labour. By 1914 the number of vacancies filled annually exceeded one million.

From the same experience, as reviewed by the Poor Law Commission, is derived also the system of National Unemployment Insurance. The temporary concentration of public interest on the problem brought into notice the value to society and industry, as well as to their own members, of the out-of-work benefit given by some of the most highly organised trade unions. So far as records were then available it appeared that the average proportion of men unwillingly out of work had been about 4 per cent. ; the numerical equivalent of one fortnight's holiday per annum. So moderate a cessation of work at one's ordinary occupation is not, in itself, undesirable ; but a period of unemployment is no holiday, but, on the contrary, more exhausting to the body and harassing to the nerves than the same period of even excessive labour. The trade-union benefit greatly mitigated the strain, financial, physical and mental, both directly and also indirectly, since the union itself was the channel whereby the unemployed member got information with regard to vacancies.

The first proposal for using this example, and making it the basis of a national system of Insurance, was that put forward by the Minority Report of the Poor Law Commission, to the effect that all voluntary associations which insured, or which henceforward undertook to insure, their members against unemployment, should be subsidised out of the national revenue to the amount of half of their expenditure on out-of-work pay ; but that, except for the necessary auditing of their accounts, they should be left entirely free in the administration of their funds. The motive for economy and care, it was argued, would be adequate, and the members of the association concerned would be the people best able to check any attempt at fraud without unnecessary friction and inquisition. It would be

interesting to know why this cautious plan, already in operation in Ghent and certain other Continental cities, was not adopted when the Cabinet of the day resolved upon a measure of unemployment insurance; as a matter of fact the procedure adopted was based on different principles.

By Part II of the National Insurance Act of 1911 all wage-earners engaged in those industries which were considered most liable to fluctuations, building, engineering, shipbuilding, vehicle construction, ironfounding, and some kinds of sawmilling, were compulsorily insured, making weekly payments of 2½d., which was supplemented by employers' contributions of the same amount, and by 1⅔d. weekly from the State. About two and a quarter million workpeople were included. They were entitled to draw from the fund, for a period of fifteen weeks, at the rate of 7s. a week for a man and 6s. for a woman. The Act came into operation, so far as contributions were concerned, in July 1912, but benefits were not paid until January 1913. Only one week's benefit was allowed for each five weeks' contributions. Up to and during the war there was little unemployment, and the fund grew.

In 1916 the scope of the scheme was extended to include all workers engaged on munitions of war. At the time of the Armistice a measure to give "Out of Work Donations" to men and women demobilised from the forces and munition works was hurriedly adopted, and over £60,000,000 distributed among them. The normal illusive post-war boom in trade, aggravated by currency inflation, also temporarily prevented demobilisation from increasing greatly the numbers of the unemployed. In 1919, by which time the reserve in the Unemployment Fund had increased to £22,000,000, the Government resolved to bring in a Bill to extend the scope of unemployment insurance very widely; but it was not passed till August 1920, to come into operation the following November. Meanwhile, in the spring of that year, the

inevitable slump in business was precipitated and aggravated by the measures adopted to deflate the currency and restrict credit, which reached a climax in April with the raising of the Bank rate to 7 per cent. The percentage of unemployment rose rapidly. Other adverse conditions were aggravated by the mining dispute of 1921, which in June brought the figure up to 23 per cent. For the whole of 1921 the average was 17 per cent., and for the nine years 1921-1929 over 12 per cent. ; that is, as far as can be calculated from the available statistics, about three times as high as during the period before the war.

It was under these unfavourable conditions that the 1920 Act came into operation. It extended to practically all wage-earners except those engaged in agriculture, in domestic service, and in certain permanent situations, about eleven million persons in all. The contributions were, for a man, 8d. a week (4d. from the employer and the same from the employee), for a woman 6½d., the State adding 2d. ; the benefit, for a man 15s. a week, for a woman 12s., for a boy 7s. 6d., for a girl 6s. The whole scheme broke down immediately. Payments under the Out-of-Work Donation scheme ceased in April 1921, by which time, presumably, it had been supposed that those who had been receiving it would be absorbed into ordinary employment ; and, since industry was unprecedentedly depressed, something had to be done for them. It was determined, accordingly, to treat the ex-service men as Insured Workmen entitled to benefit, and to raise the scale of benefits to 20s. a week for a man and 16s. for a woman. The rates of contribution were also raised, and from November 1921 to the end of 1925 they were 1s. 7d. a week for a man (10d. from the employer, 9d. from the employee), and 1s. 3d. for a woman ; the State contribution also was raised to 6¾d. for a man and 5¼d. for a woman. Nevertheless the fund became bankrupt. Not only was the reserve of £22,000,000 speedily dissipated, but a debt to the Treasury accumulated which mounted

up to the statutory limit of £40,000,000. By a series of some dozen amending Acts the conditions and amount of benefit, and the rates of contribution have since been varied repeatedly. Those coming into operation in March 1930 are as follows :

Men and Boys aged	Employers' Contribution	Employees' Contribution	State Contribution	Weekly Benefit.
	D.	D.	D.	S. D.
15 and 16 -	4	$3\frac{1}{2}$	3	6 0
17 - - -	4	$3\frac{1}{2}$	3	9 0
18, 19 and 20	7	6	$5\frac{1}{4}$	14 0[1]
21 to 65 -	8	7	6	17 0
Women and Girls aged.				
15 and 16 -	$3\frac{1}{2}$	3	$2\frac{1}{4}$	5 0
17 - -	$3\frac{1}{2}$	3	$2\frac{1}{4}$	7 6
18, 19 and 20	6	5	$3\frac{3}{4}$	12 0[2]
21 to 65 -	7	6	$4\frac{1}{2}$	15 0
Adult dependent	—	—	—	7 0
Child dependent	—	—	—	2 0[3]

With regard to the adequacy of the contributions to cover the cost of the benefits, it may be noticed that if we assume the average amount received by an adult man works out at 24s. 6d. a week, that is, 17s. for himself and 7s. 6d. for dependents, fourteen weeks' contributions are needed to pay for one week's benefit.[4] It would, therefore, appear

[1] Young men of these ages with dependents receive the same benefits as those of 21 and over, *i.e.* 17s. and benefit for dependent.

[2] Young women of these ages with dependents receive the same benefits as those of 21 and over, *i.e.* 15s. and benefit for dependent.

[3] This may be claimed by one entitled to benefit for any dependent child under school-leaving age, and also for any dependent child between the ages of 14 and 16 who is unable, because of physical or mental infirmity, to receive full-time instruction in a day school.

[4] Assuming that on the average there is one adult dependent to every two men, and one child dependent on each man, the dependents' benefit would come to only 5s. 6d. a week instead of 7s. 6d. On the other hand allowance must be made for cost of administration and interest on the debt created by accumulated deficits.

that in order to be actuarially sound the proportion of unemployed to insured persons should not, on the average, exceed 7 per cent., whereas for the last eight years it has been over 12 per cent. But the present rates of contribution are already felt to be excessively high, and those demanded from employers, in particular, are a burden on industry tending to increase the number of the unemployed.

On the other hand there is a widespread and very sincere protest against existing rates of benefit as entirely inadequate. Those who do not sympathise with this protest will do well to consider carefully the case of an unemployed man, with, say, a wife and four young children. If the wife does not go out to work the family income comes to 32s. a week, to cover rent, food, fuel and clothing. For such a family the I.L.P. demands 50s. a week, 20s. for the man, 10s. for the woman and 5s. for each child. It does not seem at all too much to maintain full health and strength. But meanwhile the agricultural labourer with the same sized family gets only about 30s. a week in return for labour which is not only of the highest value to the community but also is very exacting, demanding for the maintenance of physical efficiency more food, better boots and other clothing, than the life of the urban unemployed. The nineteenth century exaggerated and over-stressed the doctrine of less eligibility ; but to make the lot of the man who, however unwillingly, is temporarily contributing nothing to the maintenance of the State, and receiving public assistance, so much more eligible than that of a most useful class of manual workers, is to rush rashly to the opposite extreme.

If it is answered, and this no doubt is the I.L.P. answer, that the agricultural labourer with the family specified ought to receive not less than 60s. per week, then again we may agree, but we are bound to ask how such a proposal looks from the point of view of the man who is to pay the wages. Farmers find it sufficiently difficult, in

the majority of cases, to pay wages at the present rates ; and they are advised, on high authority, that their best chance of making profits is to reduce their wages-bill to the utmost, and to employ fewer hands. Whether this advice is good or bad, they are largely following it, and the number of agricultural labourers employed, which has long been shrinking, has, beyond doubt, further diminished since the last census ; and this is one of the causes contributing to the vast burden of unemployment. To increase unemployment benefits before securing to the agricultural and other struggling industries conditions under which they can give higher wages is to put the cart before the horse.

For good and ill national compulsory unemployment insurance has become a part of our industrial system, and will presumably be maintained for a long time, if not permanently. On the whole the good probably outweighs the evil ; the investigators whose reports are embodied in *The Third Winter of Unemployment* were unanimously of opinion that Unemployment *plus* dole was less demoralising than unemployment without it. But in present circumstances, and in the present form, it is open to some very serious objections.

(1) Employers' contributions are neither just nor expedient. They do not stand on the same footing as employers' contributions to Health Insurance. The employer gets a pecuniary advantage from any arrangement that enables the men whom he employs to receive prompt medical advice and treatment when they are ill ; and many employers, before the coming into force of the national scheme, made provision for this at the expense of their shareholders, and were able to justify so doing to them, and to their own commercial consciences, as sound business. It is, therefore, fair that the cost of Health Insurance should be shared between the beneficiaries, the employer, the employee, and the whole community.

Out-of-work pay, on the other hand, was initiated by

Trade Unions largely as a weapon in bargaining with the employer, and of forcing up wages above the level at which they would stand otherwise, by diminishing the economic pressure upon an unemployed man to work for any wages he could get. To compel employers to contribute to such a fund is like compelling them to contribute to the Trade Union strike fund. It may be said that industries, as at present carried on, need a surplus of employable labour power, beyond what is ordinarily employed, in order to meet requirements in time of exceptional activity; and that, therefore, those who draw the profits of industry ought to contribute to the cost of maintaining the reserve labour force. That is true enough, but it is a gross mistake to suppose that because responsibility for the conduct of industry rests upon employers, they draw the whole, or the greater part, of the profits; and a still greater mistake to suppose that the profits they draw are proportionate to the number of men they employ. All income is the product of industry, directly or indirectly, and all property owners are participators in the profits in proportion to their income. It is right that a rich employer should contribute to the Unemployment Fund, but not because he is an employer, but because he is rich. He, at least, to the extent that he employs men and women, is contributing to the prevention and diminution of unemployment; he ought to contribute not more, but less, to the maintenance of the unemployed than the man who receives an equal income in the form of ground rents, or interest on bonds or debentures. As for the employer who makes no profits, who is struggling to keep his business going in the hope of better times, or in order to avoid throwing his employees out of work, and there are many such, the injustice of laying a fine upon him every week for every man or woman for whom he thus provides an honourable subsistence, should be obvious even to the most embittered Socialist. If it were just, expedient, or necessary to

extort unemployment contributions specially from employers, they should be levied on them in proportion to their profits and not in proportion to the number of men they employ.

The inexpediency of the present rule is as apparent as its injustice. Eightpence a week may not seem much, but it is £1 14s. 8d. a year, and this, paid on a large number of workers by a business " on the margin," may well be the last straw which compels it to close down. In this respect the present system violates the first rule for all schemes for mitigating the social injury resulting from unemployment, that they must not aggravate the disease while mitigating the symptoms.[1]

Whether any protest against the existing arrangement is likely to have any effect is doubtful. The Government of the day, according to the custom of politicians, in framing the Act of 1911 chose the path of least resistance ; it had to deal with Trade Unions and an electorate consisting mainly of manual workers on the one side, and on the other with the Treasury officials, who, more than any other body of people, really govern the country in peace times. Karl Marx, as M. Elie Halévy recently said in Oxford, owed his influence to the fact that he taught working men to hate those whom they wanted to hate, that is the employers, though he no doubt understood that such hatred was illogical. Similarly, respectable people who enjoy secure and comfortable incomes have made the word " profiteer " a term of reproach, although it is the fundamental law of our society that the essential task of organising industry shall be mainly in the hands of people who are only allowed to continue to discharge that social function on the condition of making profits, either for themselves or for shareholders. Some employers wield great political power, but these are mostly

[1] Prof. Clay in *The Post-War Unemployment Problem* protests, on slightly different grounds, against the total burden on employers of Health and Unemployment Insurance taken together.

the wealthy, to whom the insurance contributions are unimportant, possibly even helpful, as a force tending to speed up the elimination of their weaker rivals.

The fact, therefore, that these contributions are inequitable and economically injurious is not likely, under a democratic government, to lead to their abolition.

(2) As at present administered unemployment insurance tends to diminish the mobility of labour, both with regard to place and occupation.[1] It enables workers who are thrown out of work by industrial fluctuations and changes to hang on where they are, waiting for any opportunity to resume the work to which they are accustomed. If it is a mere fluctuation of trade which caused their loss of work this is all to the good ; but, unfortunately, at the present time, what we have to recognise is a permanent shrinking in certain fields of employment. It is generally agreed that this is the case with regard to coal mining ; it is almost certainly the case with regard to the cotton industry.

In this respect, however, there is a good prospect of attention being given to the improvement of administration. The importance of increased mobility of labour is recognised. The Report of the Industrial Transference Board puts forward proposals which, rather optimistically, it regards as adequate as well as practicable for facilitating transference of surplus miners to other occupations in other districts, and to the Colonies. Mere migration of unemployed workers, under present conditions, does not seem likely to help much ; what is needed is specially to put the young unmarried men and women in a position to change both their location and their occupation.

[1] " The availability of unemployment benefit and poor relief, the reluctance of employers, workers and the State to recognise the contraction in the labour requirements of the heavy industries as more than a transitory problem ; the existence of unemployment elsewhere, and the unwillingness to take risks, have all contributed in the past years to a tendency to wait in some vague hope that something will turn up to restore the local trades." (*Report of the Transference Board*, Cmd. 3156, 1928, p. 17.)

There is now a prospect of the adoption of the proposal which Lord Passfield and Mrs. Sidney Webb have so long been advocating, that industrial training shall, for such persons, be made a necessary condition for the receipt of out-of-work benefit. The raising of the school age to fifteen, and the adoption of the proposals of the Hadow report for the remodelling of the school training for children aged eleven to fifteen, if wisely planned and competently carried out (a very big If) will cause the schools to turn out youths more fit to adapt themselves to varying social conditions, because possessed of more vigorous bodies and more alert minds than their predecessors. The mere prolongation of the period of retention in public elementary schools would probably have the opposite effect. We have suffered much from the delusion that schooling and education are identical terms, and should do well to explore the content of Prof. Geddes' maxim that "Education begins with helping Mother, and is continued by helping Father," and even to recognise that there is some sense in William Marshall's remark, "A little schooling will do a boy no harm, provided he is set to labour early."

There is an apprehension that the alteration proposed in the Bill now before Parliament, whereby the test whether a recipient of the benefit is or is not genuinely seeking work is to be the definite offer of a job, may not further diminish the mobility of labour by reducing the pressure on the person concerned to find, if possible, a job for himself. On the other hand it may possibly have the opposite effect; it may induce employers more widely and completely to notify the Labour Exchanges of all vacancies as, or even before, they occur; and thus remove the defect which has seriously hampered their efficiency.

(3) The greatest drawback to the Insurance scheme is that it is totally inadequate to present needs. Had the demand for labour in the post-war years been as good as

in the two or three pre-war decades, if, that is, the proportion of unemployed to insured workers averaged about 4 per cent., the contributions could have been less, the benefits greater, than at present, and yet the fund solvent; moreover, the burden of a given rate of contribution would have pressed less heavily on the more prosperous industries; and any given rate of out-of-work benefit would have been more adequate, since the longer a spell of unemployment lasts the more impossible it becomes to maintain a decent standard of life on inadequate weekly receipts. In such circumstances the allied organisations of Labour Exchanges and Unemployment Insurance would have provided an extraordinarily efficient machinery for dealing with what has always been a very grave economic and social evil, and would have been a very excellent solution of a most difficult problem. Our chief concern would then have been to perfect the organisation, and to induce employers and employees to make full use of the Labour Exchanges.

But now for nearly ten years since May 1920, the average proportion of unemployed has been not one in twenty-five, but *one in eight* of the insured workers.[1] Naturally and inevitably the fund has virtually gone bankrupt, only functioning by means of ever-increasing loans and subsidies, while the benefits are inadequate and the contributions too burdensome. The proper work of the Employment Exchanges has been swamped by their absorption in the task of paying out the weekly "dole." The three eminent gentlemen who formed the Transference Board thought that by action on the lines of their report the problem could be solved; few people will share their optimism. For the sake of the unemployed miners one would wish that employers in other industries and localities should respond to the Board's appeal, and take on an occasional ex-miner when a vacancy occurs,

[1] That is, those registered as out of work. The actual numbers are considerably greater.

and possibly in some cases they might find a profit in doing so in preference to taking on a local man ; but it hardly seems possible that the total of unemployment would thereby be appreciably diminished, or that the present problem can be solved by transferring families from areas where the percentage of unemployment is 20 per cent. or over to localities where it is 10 per cent. or less, however desirable such transference may be.

Nor is the Report helpful in other ways. Its conclusions are mainly negative. " We have," says the Board, " treated as outside our province ambitious financial proposals however ingenious, if, as is the case with most, they involve a departure from existing principles of tariff or currency and credit policy and would raise prolonged and acrimonious controversy." [1] But the nation must not shrink from re-examining policies inherited from past centuries adopted in circumstances which have since changed radically. It further says, " If a policy were to be adopted of artificially stimulating industrial activity generally with the object of absorbing surplus labour from the heavy industries, the scale on which the economic intervention by the State would have to take place would be unparalleled in any other age or country." [2] Here the adverb " artificially," which imports prejudice, is out of place ; it means no more than " deliberately, and of set purpose," since the effects of all State action are " artificial," and it is no reproach that the State " artificially " stimulates industrial activity by posts and telephones, or that local authorities do the same by lighting the streets. Also the statement quoted is a gross exaggeration. Nothing comparable to the scale of economic intervention by the State which our own country experienced during the war, or which Russia is undergoing at the present time, has either been suggested by any responsible person, or can reasonably be regarded as necessary.

[1] p. 52. [2] p. 6.

Relief works carried out by local authorities, stimulated and assisted by subsidies from the national exchequer, have been all but unanimously condemned ; but, inevitably in the circumstances, they have been more freely resorted to than ever, on the ground that " something must be done." Many things must be done, if the present disastrous conditions are to be remedied, and by many people ; among them by our economists, whose special task it is to diagnose the disease and to criticise the various remedies proposed. Many thinkers have already made contributions to this discussion, and we must now endeavour to collate some of these, laying stress chiefly on facts and ideas which are familiar and obvious, because these are, really, the most important.

CHAPTER XVIII

UNEMPLOYMENT

III. THE POST-WAR UNEMPLOYMENT PROBLEM

Our Present Difficulties

" In many of the districts concerned," says the Industrial Transference Board, " the idea of a cyclical or transient depression must now be recognised quite unflinchingly as no longer tenable." That idea must also be regarded quite unflinchingly as no longer tenable as applied to the country as a whole, and to all of its industries taken together. Undoubtedly, as Mr. Winston Churchill said, " We can see that the recovery of other nations from the Great War has been far more rapid and substantial than our own." [1] Only about *one-third* of the amount of unemployment of the last ten years can be attributed to the causes which were operating before the war ; about two-thirds must be attributed to a relative falling-off in the effective demand for labour power as compared with the supply. The nature of that defect is obvious. " The workers of this island . . . are now utterly dependent on the goodwill of an employing class which, in its turn, is dependent on world markets *which it no longer controls*." [2] In the main the demand for labour power comes from employers who expect to win profit by employing it in the production of goods for sale. For the greater part of its food, for all its cotton, silk and jute, most of its wool,

[1] In the House of Commons, 24th December, 1929.

[2] William C. Owen, in *Freedom*, January 1923.

flax and hemp, a large part of its minerals, and now in recent times for much of its power fuel, our population depends on external sources of supply ; and while these external supplies to some extent represent payment for services and interest on investments abroad, for the greater part they have to be paid for by exported goods. It is therefore not merely those industries which produce goods for export, but the whole of British industry and of the industrial demand for labour which depend, directly or indirectly, upon our power to sell abroad in competition with other countries. That power has been impaired by the war, both directly and indirectly. What has happened to the industries of the island as a whole may be illustrated by the case of one particular industry in one of its markets.

The cotton manufacture of Lancashire has long been, and still is, the greatest of our exporting industries, and India its greatest external market. Originally the industry was located in Lancashire, in all probability on account of the fact that Liverpool was the most convenient port for receipt of both Irish linen yarn for warps and raw cotton from the Levant for weft. By the end of the eighteenth century these materials were superseded, but Liverpool was also convenient for the import of American raw cotton ; and the heavy rainfall on the steep western slope of the Pennines supplied abundant water-power when machines began to supersede handicraft. Again, when steam superseded water-power, the Lancashire coal measures were ready for exploitation. These advantages persist, but they have lost much of their competitive efficiency. Other localities have equal or superior advantages in access to raw materials and to markets, and in local sources of power ; and Lancashire supremacy in the cotton industry during the twentieth century has mainly depended upon, firstly, the peculiarly suitable climate, both cool and damp, and, still more, upon the mere fact of its existence as an inheritance of the past ;

whereby it possesses a great and elaborate organisation of manufacture and merchanting ; the presence on the spot of a great body of operatives, experts and business men, devoted, from generation to generation, to the service of the industry ; the localisation on the same field of the manufacture of textile machinery ; established trade connections, and other advantages of the same order.

For half a century before the war foreign competition with Lancashire was increasing. In Europe and America protective duties were imposed to neutralise Lancashire superiority in the home markets of its rivals, and to overcome the initial difficulties in establishing new industries ; in Asia cotton manufacturers could exploit extraordinarily cheap labour of very fair efficiency.[1] Nevertheless, Lancashire held her own ; her share of the expanding industry diminished in proportion to the total, but grew absolutely. More and more the coarser qualities, in which cheap labour and the close proximity to the cotton fields has special importance, were abandoned to foreign competitors, and Lancashire concentrated on the production of the finer cloths, in which superiority of climate and personnel counted most.

India is, in all probability, the original home of cotton manufacture as a handicraft. The first attempts at setting up mills were made in the centres of British and French trade in Calcutta and Pondicherry, about a hundred years ago ; but success was only attained in the fifties, after railways had begun to operate and Bombay had become a great port for the export of the raw cotton of its hinterland, the Parsis of Bombay being the pioneers.

[1] Much misleading nonsense has been written, mainly to defeat proposals for factory legislation, about the low efficiency of Indian labour. The half-timers in the Madras mills during the war, I ascertained, were up to the Lancashire standard, the adult operatives rather below. The output per weaver per day was rather less than half that of Lancashire, but this was mainly because looms being relatively dear and labour relatively cheap, the management aimed at maximum output per loom, not maximum output per weaver, and put one weaver to each loom, to secure its working at maximum speed. Wages were only *one-seventh* of the Lancashire rates.

The industry grew slowly at first; more rapidly later, when the late Mr. J. N. Tata pointed the way to its spread to new localities on the very cotton fields by establishing the Empress Mill in Nagpur. The excise duty imposed on mill-woven cloth at the bidding of the Lancashire representatives in the House of Commons did not check its growth, and only served to arouse deep resentment and a fierce demand for protective duties, which became effective after the war. Japan followed the lead of India and Chinese mills began to multiply in the present century.

When the war broke out the greater part of all the cotton cloth worn by the three hundred million inhabitants of the Indian Empire was spun and woven in Lancashire. The remainder was supplied in the main by hand-loom weavers, largely using Lancashire yarn, and by Indian mills, and to a small extent by Europe and Japan.[1] The war made the Lancashire product scarce and dear, and a sort of famine of clothing gradually made itself felt, as stocks were exhausted and old clothes worn out. Enormous profits were made by the Indian mills, but the difficulty of securing machinery hampered the expansion of productive power. Less difficulty in this respect was experienced in Japan, and through the war the mills there not only increased in number but also worked day and night. The number of spindles in India increased from 6,320,000 in 1912-3 to 8,093,000 in 1924-5; of looms from 92,487 to 148,612; while in Japan, for the same period, the increase in spindles was from 2,414,000 to 5,186,000 and of looms from 24,224 to 68,160. On the conclusion of the war the handicaps on Lancashire trade were gradually diminished; but so also were the hindrances to the increase in the Indian equipment, and competition between all sources of supply

[1] In 1912-3 the imports of piece goods were 3,197 million yards, out of which 98 per cent. was British and only 0.28 per cent. from Japan. The Indian mill production was about 1,150 million yards. (*Report of Tariff Board*, 1927.)

was intensified. The broad result was that for the year 1925-6 the total import of piece goods had fallen to 1,563 million yards, of which 82·3 per cent. came from England and 13·9 per cent. from Japan. Fully half of the trade with India in cotton goods has been lost, Lancashire holding only a diminished and diminishing share of a diminished total. Political changes have contributed to this result. Before the war Indian import duties were small and imposed for revenue only ; they are now greatly enhanced and definitely protective in purpose. As with Indian cotton, so with Indian steel. Production began very shortly before the war; it expanded rapidly to meet war needs, and, with the aid of very heavy protective duties and lavish subsidies, the output has gone on gradually increasing since.

All this is typical of what has happened all over the world. The disarrangement of world industry and commerce stimulated manufacturing enterprise in new centres ; and the intensified international competition of the post-war period led to a great general increase of tariffs.. In cotton manufacture we note a general tendency to migrate ; thus, in America, production in the Southern States, aided by water-power, cheap labour, and proximity to the cotton fields, expands at the expense of New England ; in India the up-country mills prosper while Bombay is depressed, and Asiatic industry as a whole has grown at the expense of British [1] and European. In steel, with its allied industries of coal mining and iron-smelting on the one hand, and shipbuilding on the other, the war created an enormous increase in the world's productive capacity, far in excess of post-war needs, and a competitive struggle has ensued to determine which plants shall be shut down and where workers shall be thrown out of employment.

[1] The export of cotton piece goods in 1913 was 7,075 million linear yards; in 1927, 4,189 millions; in 1928, 3,968 millions (*Board of Trade Journal*, 31st October, 1929.) Exports for 1929 show a further decline on those of 1928, and may be little more than half those of 1913.

Considering now conditions at home, it is obvious that in some respects we have lost something of our past competitive advantages. Jevons long ago pointed out that British manufacturing supremacy rested on our superior coal supplies, which, he argued, could not last for ever ; and he urged that before exhaustion became marked, at least the burden of a great national debt should be got rid of. Since then the rate of coal extraction has been slowly accelerated ; in old mines it has been necessary to drive the galleries further and further from the shafts, so that the time spent by miners in reaching the working face, and the difficulty of ventilation, have increased. The new mines sunk mostly exploit deeper seams than the old ones and need more elaborate equipment. We still have the advantage over most of our manufacturing rivals in quality of coal, but no longer also the same advantage in cheapness. Moreover, the march of invention and of industrial progress has considerably lessened the importance of coal ; in Jevons' time it had no rival as a source of power ; now we have to count also lignite, mineral oil, natural gas, alcohol, and other products of the distillation of waste vegetable matter, and hydro-electric power. On the other hand, the burden of debt has been increased enormously.

Similarly our advantages in the means of internal transport, and in convenience and number of harbours, remain great, but relatively are not unimpaired. Our railways have their merits, but they are not cheap, either for goods or passengers ; our roads are unsurpassed, but those abroad are improving ; in France and Germany excellent canals partially compensate for inferior access to the sea ; we are still far ahead in shipping and ship-building, but rather behind in transport by air.

On the human side, " The three factors of production," a leading Indian industrialist said recently, " are Knowledge, Enterprise, and the Spirit of Co-operation." On these grounds much adverse criticism has been bestowed

on British industry. It is alleged, not without reason, that we have trusted too much to rule of thumb and to knowledge gained by actual experience, and have unduly neglected scientific research and the application of its results to industry ; that the directorates of industrial joint-stock companies contain too large a leavening of senility ; that a lack of enterprise is displayed in getting rid of obsolete plant, so that we compare less and less favourably with our chief competitors in efficiency of equipment ; and that excessive individualism hampers us both in production and in commercial organisation. It would be impossible here to attempt any enquiry into the amount of substance in these complaints ; it is obvious that there is plenty of room for improvement ; the practical problem, therefore, is to find out how to improve. With regard to the industrial rank and file, there were, for some years after the Armistice, legitimate complaints on the part of employers that workers demanded much higher wages than before the war, but were much less disposed to give a fair day's work in return. Much less is heard to this effect to-day, and there seems now no serious ground for complaint. In sobriety, trustworthiness, courtesy and general intelligence British manual workers of the present day undeniably compare well, either with their forerunners of last century or their contemporaries abroad ; but one would wish that there were reliable information with regard to average standards of muscular strength and endurance. Cambridge boasts that all the British winners of championships in the 1928 Olympic Games were Cantabs ; that speaks well for the physique of one small section of the population, but not for that of the general mass. What, however, is definitely known is that the average height and weight of children in the public elementary schools at specified ages has increased considerably. Physiologically and psychologically recovery from the effects of the war has been gratifyingly rapid, though economically disappointingly slow.

One of our past great competitive advantages, that of cheap capital, appears to have been lost completely. In the nineteenth century, and even up to the outbreak of the war, London was the world's great market for the raising of capital for industrial purposes. Paris, second in importance as a money market, lent on a smaller scale, and by preference to foreign governments, and particularly to that of Russia. At least up to the beginning of the twentieth century British capital was supplied more freely and cheaply to British than to foreign undertakings ; thus, for example, towards the end of last century the London County Council could borrow at less than $2\frac{1}{2}$ per cent. When first the note of alarm over German manufacturing competition was sounded, our financial experts assured us that lack of cheap and abundant capital would prevent it from becoming serious. To-day the situation is changed. The British investor seems rather to prefer a foreign to a home investment ; New York has superseded London as the chief supplier of new capital ; the Indian Government finds it cheaper to raise new railway capital in Calcutta and Bombay than in London, and recently the French and Belgian discount rates have been lower than ours.

Moreover, the machinery by which new capital is supplied to industry does not seem to be working very satisfactorily. Of the methods in use, the most satisfactory is the reinvestment of profits in the business in which they are earned and their utilisation for extension and improvement, and this is the method by which our industrial equipment has mainly been built up. But war and post-war regulations for taxation appear to have discouraged it, and other methods were resorted to when the Lancashire cotton industry was recapitalised in 1920, and disastrously over-capitalised. Supply of capital through banks perhaps comes second in importance and in merit as a means of giving security to the investor and guiding the flow of capital into useful channels. But

the banks charge heavily for their services. The "Big Five" charge 1 per cent. over Bank Rate for overdrafts on good security, and give 2 per cent. under on deposits; so that with a 5 per cent. Bank Rate, while the borrower pays 6 per cent., the lender gets only 3 per cent., and another 3 per cent. is appropriated by the intermediary.[1] Further, recent events appear to indicate that the very magnitude of this margin tempts bank managers into too great eagerness to secure the custom of any financier who operates on the grand scale, with insufficient regard for safety, and scarcely any regard for the general public interest.

The third method is the floating of issues on the Stock Exchange, with the help of professional promoters who accept no responsibility for the future conduct of the enterprise concerned, their business being merely to fish for the investor and to draw him into the net. Of this investors are becoming somewhat painfully aware, with the result that they tend increasingly to fight shy of ordinary and deferred shares, and even of preference shares, so that a greatly increased proportion of new liabilities is in the form of bonds and debentures. This imposes a serious drawback. When all its capital is in the form of shares, a business, in times of difficulty, can cease to pay dividends and carry on with undiminished resources, even though profits should dwindle to vanishing point. But interest on bonds and debentures has to be paid, if not out of profits, out of reserves; and when fluid reserves are exhausted, fresh loans must be raised on the security of the remaining assets, and probably on more onerous terms. If the condition of trade does not take a favourable turn in time, bankruptcy ensues; if it does, the resources available for taking advantage of it are diminished.

[1] Before the war the rule was to pay 1½ per cent. less than Bank Rate on deposits, and to charge ½ per cent. over Bank Rate for loans, making a margin of profit of 2 per cent. In March 1930, with a 3½ per cent. Bank Rate, it was reported that banks generally refused to lend at less than 5 per cent.

British industry has to run its race against foreign competitors under a very heavy handicap of debt and loan charges. These include that portion of local rates which is due to the debts of local authorities, that portion of Imperial taxation which is due to the service of the National Debt, interest charges on mortgages, bonds and debentures, and high rates of interest for day-to-day accommodation by banks : each of these items being increased enormously since the war ; while the cost of Governmental services, both Imperial and local, apart from loan charges, has also greatly increased. To a very large extent also the burden has been distributed upon different industries almost in inverse proportion to their capacity to bear it ; thus, for example, local rates are heaviest where local industries are most depressed. Is it surprising if our great basic industries stagger under the load, and fail to hold their own in the international competition ?

Currency Inflation and Deflation

The situation would have been difficult enough if it had not been greatly aggravated by the course of post-war Governmental policy with regard to currency. Had the aim of that policy been to aggravate unemployment to the utmost, hardly any more effective measures could have been adopted than the reckless inflation of the first seventeen months after the Armistice (November 1918 to April 1920), followed by the even more reckless deflation since. Yet there is no reason to attribute either evil intentions, gross carelessness or exceptional incompetence to the persons responsible.

" Government " in the matter of currency is neither King and Parliament, nor the Cabinet and the electorate, nor industrial magnates and trade unions, but the Treasury officials and the Directors of the Bank of England. It is unfortunate that it should be so, since

there ensues a tendency for the interests of industry to be subordinated to those of finance, and those of the manufacturing North to be made of too little account in comparison with those of the City of London.

In January 1918 a Committee was appointed by the Treasury and the Minister for Reconstruction to advise on currency policy after the war. The Chairman was Lord Cunliffe, Governor of the Bank of England, and most of the other members were also bankers. It submitted an interim report in August 1918, and a final report in December 1919 ; and those reports have been consistently acted on since the beginning of the financial year 1920-1, and for good reason, since they are not the utterance of an outside body called into consultation, but in effect a statement of the policy adopted by the ruling authority, put in the form of advice. An attempt is made here to give, as briefly and simply as possible, both the gist of the report and the conditions it dealt with.

The exchange value of money is its purchasing power, and, like the exchange value of other things, it varies according to the relation between supply and demand. The *demand* for money consists of the offer of commodities for sale, and this depends on the current rate of production of goods. When commodities are plentiful and money scarce, money has a high purchasing power and prices are low ; the reverse is the case when money is plentiful and commodities are relatively scarce.

The money we use is mostly bank credit, as most accounts are settled by drawing cheques ; but it is partly legal tender currency, pounds (Bank of England notes and sovereigns before the war, later also Treasury notes, now Bank of England notes only), shillings and pence. This legal tender currency is at present essential for the payment of wages and for the spending of them. The *supply* of money is therefore determined by the amount of bank credit *plus* the amount of legal tender currency.

If it consisted solely of bank credit, or if cheques could entirely replace legal tender, there would be no limit to the amount of money circulating based on a given amount of legal tender currency. Bankers' loans create deposits, so that the more the banks lend, the more they can lend. If one bank allows Mr. *A* an overdraft of a thousand pounds, he uses it to send cheques to his creditors *B*, *C*, etc. They pay their cheques into their banks, and those cheques either reduce their overdrafts if they are overdrawn, or increase their deposits if they are not. But the increased supply of credit money forces up prices, stimulates production (it is indeed to hold goods for an increase of price and to increase production that extended credit is commonly asked for), increases the number of people employed and rates of wages, and therefore demands a corresponding increase in the amount of legal tender currency. If that be limited, the ratio of cash to liabilities in the banks falls dangerously low, and that forces the banks to restrict credits. Hence, the authority which controls the supply of legal tender money also indirectly controls the supply of credit, to this extent, that it puts a limit on that supply ; but it rests with the banks and their customers to determine whether the limit shall be reached.

Before the war the supply of legal tender money was controlled by Act of Parliament, and consisted (apart from silver and copper) of Bank of England notes not backed by gold to the amount of rather less than nineteen million pounds, of notes issued against gold, and of gold coin. No increase of currency could take place otherwise than by an increase in gold in the form of coin, or of bullion held by the Issue Department of the Bank of England. In practice such an increase, if it took place, came in consequence of an excess of imports of gold from the mines within the Empire over net exports to India and foreign countries.

Since gold was then the world's international money,

gold was imported and exported in order to defray the "balance of trade," or, to put it more correctly, the balance of accounts. When export of gold took place in sufficient volume to alarm the Governors of the Bank, they put up the discount rate, that is, the rate of interest on short loans.

> "The raising of the discount rate had the immediate effect of retaining money here which would otherwise have been remitted abroad, and of attracting remittances from abroad to take advantage of the higher rate, thus checking the outflow of gold and even reversing the stream. . . . But the raising of the Bank's discount rate and the steps taken to make it effective in the market necessarily led to a general rise of interest rates and a restriction of credit. New enterprises were therefore postponed and the demand for constructional materials and other capital goods was lessened. The consequent slackening of employment also diminished the demand for consumable goods, while holders of stocks of commodities carried largely with borrowed money, being confronted with an increase of interest charges if not with actual difficulty in renewing loans, and with the prospect of falling prices, tended to press their goods on a weak market. The result was a decline in general prices, which, by checking imports and stimulating exports, corrected the adverse balance of trade which was the primary cause of the difficulty." [1]

The raising of the Bank Rate became effective when other banks, willy nilly, followed the lead of the Bank of England. As it is the bankers' bank, to which they apply at times for loans, they naturally tend to follow its lead; and it has in reserve the power of making legal tender currency scarce to them, by selling Government securities and fetching back an equivalent amount of the notes and gold in circulation into its own cellars. It is to be noted, as the Committee pointed out, that the Bank's method of attracting gold from abroad involved a "slackening of

[1] *Cunliffe Committee, Interim Report*, pp. 3 and 4.

employment," and indeed might fail to be effective unless it led to that result. If the desired inflow of gold came quickly in response to the stimulated export of goods in stock, this might not matter much. But the Cunliffe Committee, with its eye on immediate effects, seems to have ignored the fact that restriction of credit, postponement of new construction and diminution of the numbers of workers employed, all involve in due course a diminution of output and a loss of exporting power, which reduces the power of the country to secure from abroad any particular commodity it requires, gold included. Nor does it seem to have regarded "slackening of employment" as being in any way undesirable.

During the war the Government wanted all the bank credit it could get, in addition to its issues of war loans; and so its floating debt, on the principle that loans create deposits, swelled the volume of credit available for private business and made possible the financing of industry during the war period of feverish intensity of activity. In order that the expansion of bank credit should not be checked by shortage of legal tender, the currency was also inflated. The total amount available on 30th June, 1914, is estimated at £179,926,000; on 10th July, 1918, at £382,730,000 (without counting gold coin in the possession of private persons), out of which £230,412,000 was Treasury notes not covered by gold.[1] Treasury notes and Bank of England notes were still nominally payable in gold sovereigns at the Bank of England on demand, but effective steps, including prohibition of export and of melting down, were taken to prevent that demand.[2] Hence the paper currency

[1] *Cunliffe Committee, Interim Report*, p. 5.

[2] It is said that one man, for a bet, did demand gold for notes at the Bank of England, and ultimately, by dint of obstinate persistence, got it, but was then so inconvenienced by being closely watched by detectives that he was obliged soon afterwards to return the gold and take notes instead.

became in effect inconvertible and fell to a discount in comparison with gold. But up to the Armistice and until March 1919, the exchange value of sterling in dollars was maintained by various devices and by American support, and the depreciation of the paper currency in terms of gold was slight.

The Cunliffe Committee recommended, in August 1918, that on the termination of the war the pre-war system should be restored fully, with no change except an increase in the permitted fiduciary issue, that is, in the quantity of notes permitted in excess of those covered by gold. The higher level of prices, and the fact that people had become accustomed to use notes instead of gold coins, justified and indeed necessitated a much larger supply of paper money than before the war ; but the Committee advised that the fiduciary issue should be reduced gradually by making the maximum amount *actually circulating* in any one year the maximum *permissible* in the following year. It further recommended that on the conclusion of hostilities Government borrowing should cease as soon as possible, that the obligation existing in theory of the Bank of England to cash both its own notes and the Treasury Currency Notes in gold should be maintained and made effective, by the obligation being laid upon it to supply gold for export in exchange for notes.

When that interim report was signed, the exchange value of sterling was " pegged " at 4·76 dollars, about 2 per cent. below par (4·87 dollars), and compared with the money of many countries sterling was generally at a premium. During the Napoleonic War, Bank of England notes had fallen to a discount of 25 per cent., but speedily recovered their gold value in international exchange when the war ceased. In August 1918 it was perhaps natural for the Cunliffe Committee to suppose that the measures it recommended would be practicable, and would achieve the result which the members regarded as imperative,

that " the conditions necessary to the maintenance of an effective gold standard should be restored without delay " ; the only gold standard they had in mind being the pre-war standard of the pound of 113 grains of gold.

But conditions were very different. After the Napoleonic War demobilisation had been carried out at a very low cost to the revenue. Soldiers and sailors were discharged, turned adrift, and left to fend for themselves. There is a grisly story of veterans from the Highlands of Scotland being landed at Southampton, to tramp slowly northwards, only to find when, starving, tattered and footsore, they reached the little crofts they had left years before, the old habitations vanished and all their relations and neighbours driven away by wholesale evictions carried out by " improving " landlords. In 1919 such proceedings would have smashed the Government responsible. The expenses of demobilisation were enormous, and they were met, since War Loans could hardly be issued when the war was over, by a great increase in the floating debt, which again, in order that the banks might be enabled to take up that debt, demanded a further increase in the supply of currency. The fiduciary issue of Treasury notes went up in 1919 to £320,600,000, an increase of £90,000,000 since July 1918.

Again, during the Napoleonic War the country fed itself, and developed its manufacturing power rapidly, while that of foreign manufacturing countries was reduced. Hence, the retreat of Napoleon from Moscow in 1814 and the termination of the war in 1815 was followed by a great increase in the exports of manufactured goods, and a " favourable balance of trade " to be paid in gold. In contrast, the Armistice of 1918 found this country imperatively demanding great imports from foreign countries, but with its exporting industries unable to respond quickly to the demands of its customers abroad. The exchanges were " unpegged " in March

1919, and the dollar value, which means also the gold value of sterling, rapidly dropped, the pound falling to 3·83 dollars by the end of the year.

The Cunliffe Committee was then asked for its Final Report, and submitted it in December 1919.[1] Although the course of events had been so different from what the members had probably anticipated in 1918, they only reiterated their previous recommendations, which, as has been pointed out above, had practically the force of commands. As far as possible they were obeyed. The Bank of England put up its rate of discount to 6 per cent.; the Treasury announced that during 1920 the permissible maximum fiduciary issue would be the actual maximum for 1919; but the Bank of England was afraid to allow the free export of gold and the Treasury afraid to compel it. Until the end of the financial year, with its heavy short period borrowings, these measures were ineffective; the continually rising prices led to an obstinate expectation of still higher prices; the commodity value, the gold value and the dollar value of sterling continued to fall, until the American exchange stood at 3·2 dollars to the pound. Then came the 1920 Budget with drastic reduction of expenditure and heavy increase of taxation, a surplus of no less than £234,000,000 being budgeted for, and the Bank of England, on 15th April, 1920, raised the bank rate to 7 per cent., which, with the reduction of the floating debt, became immediately effective.

The consequences then ensued which the Cunliffe Committee had in 1918 specified as following naturally from a rise in the bank rate, if made effective, and which it evidently regarded as on the whole desirable. There was "a general rise of interest rates and a restriction of credit," "holders of stocks of commodities carried largely with borrowed money . . . tended to press their goods on a weak market. The result was a general decline in prices in the home market," a decline, in fact, which

[1] Cmd. 464.

amounted to a disastrous slump.[1] There was also a "slackening of employment," which in fact, as noted above, amounted to an unprecedented increase in the numbers of the unemployed. And in due course the great boon, which in the eyes of our financial advisers was purchased cheaply at the cost of these inconveniences, was duly achieved. In June 1920 the pound sterling exchanged for 3·95 dollars; it fell back with the need for paying for the autumnal purchases of grain to 3·43 dollars in the following November, but recovered again in May 1921 to 3·98 dollars, when the numbers of the unemployed were close on two millions, and by February 1925 it had been forced up to 4·77 dollars, nearly to par. On 28th April, 1925, Mr. Winston Churchill, as Chancellor of the Exchequer, was able to announce that the goal had been reached, that the export of gold would be free, and the pre-war gold standard restored. Since then, by the manipulation of the bank rate, the pound sterling has been linked to the dollar; they have both danced to the same tune, and it is the dollar that has called the tune.

In 1919 and 1920 the choice for our government, as for so many other countries later, was between revalorising (that is, bringing back the gold value of the depreciated

[1] The following table shows the course of prices since deflation began:

Date.	Index No. Wholesale Prices (1913=100).	Purchasing Power of £100 in prices of April 1920.
		£
April 1920	352·6	100
December 1921	162·1	218
,, 1922	158·6	222
,, 1923	169·1	208
,, 1924	179·3	197
,, 1925	152·8	237
,, 1926	142·1	248
,, 1927	141·9	249
,, 1928	137·5	256
,, 1929	128·8	274

paper money to its pre-war level), and stabilising at the existing level. But the Cunliffe Committee in committing the country to a policy of revalorisation by means of drastic deflation, completely ignored the obvious alternative. It is difficult to imagine that it was not present to the minds of the members. It was possible in April 1920 to have achieved immediately their fundamental object, the restoration of *an* effective gold standard, only it would not have been the pre-war gold standard. All that was necessary was that the Bank of England should be required to export gold in exchange for notes, but that it should do so at a price fixed in accordance with the current price. This was the course recommended a hundred years before by no less an authority than David Ricardo. In practice this would have involved an announcement that the Bank would buy any gold offered at a little less than £6 per fine ounce, and sell on demand at a little more, assuming £6 per fine ounce [1] to have been the current market price at the moment. No high bank rate would then have been necessary to prevent depletion of the gold reserve. This would have stopped inflation, which is bad, without plunging into deflation, which is, according to the pretty unanimous opinion of economists, at least as bad. *Deflation is no remedy for the evils of inflation, nor is inflation a remedy for the evils of deflation.* The mere cessation of inflation would have produced some depression of trade, but it would have been less severe than that which actually occurred, and would have been over quickly, so that in all probability the disastrous series of great labour conflicts which have so aggravated industrial difficulties would have been avoided.[2]

[1] The pre-war mint price was £4 4s. 10½d. per fine ounce.

[2] In a paper read to Section F of the British Association on 12th September, 1919, and republished in *Monetary Reconstruction* (1922), Mr. R. G. Hawtrey discussed the difficulties for belligerent nations of returning to pre-war monetary standards, and predicted that some would have to standardise at a lower level. He also pointed out that the return to gold might be expected to lead to increased demand for that metal, and a

It must not be supposed, however, that there was nothing to be said for the policy of revalorising the paper pound by prolonged deflation. Inflation sacrifices the interests of creditors to those of debtors, deflation sacrifices the interests of debtors to those of creditors ; equity therefore demands that both should be avoided, and a policy of " non-flation " persisted in steadily. But in this case it was possible to urge that to give possessors of notes something less than the quantity of gold which they represented before the war would have been a breach of trust. The inflation of the currency between August 1914 and April 1920 was analogous to a capital levy, levied on all holders of securities entitling them to future payments definitely fixed as so many pounds sterling, though a capital levy by which all debtors, and not the State alone, profited ; to have revalued the pound sterling at its actual gold value at the end of the period, would have, as it were, passed an Act of indemnity for what had already been done, while putting an end to any further levying. Revalorising was, in effect, the levying of a counter capital levy on the State and all debtors for the benefit of creditors, the personnel of the two bodies of debtors and creditors, however, changing continually during the two operations.

Further, it must be remembered that England is still a creditor country, and that British investors are legally entitled to receive annually from abroad great sums calculated in pounds sterling ; and the higher the purchasing value of the pound sterling the bigger this income is. The period of inflation (1914-1920) was marked both by a fall in the gold value of sterling, and by a much greater fall in the purchasing power of gold ; similarly,

general fall over the world of gold prices, with all the depressing effects of deflation, and argued for an international arrangement whereby " the demand for gold would be so regulated as to make the value of a gold unit itself in commodities as nearly as possible constant " (p. 65). This, he argued, could be accomplished by means of an initial agreement between England and America.

the subsequent period of deflation (1920-1929) has seen the recovery of the gold value of sterling, and a great rise, though not a full recovery, in the purchasing power of gold. In each case the two movements reinforced each other, producing, in the first period, increased profits, increased employment and increased wages, at the expense of property owners entitled to fixed incomes ; and in the second period falling or vanishing profits, much unemployment and reduced wages, but enhanced real incomes to the *rentier* class. It is not intended here to debate the question whether the boon of the revalorisation of the pound sterling and reduced prices was, or was not, too dearly purchased ; all that is here emphasized is that the boon had to be paid for, and that increased unemployment and labour unrest was part of the price.[1]

Looking to the future, it is pretty certain that unless there is for some unforeseen reason a fresh spurt in the output of gold, the competition of reserve banks for the privilege of holding masses of yellow metal in their cellars will continue to force up its purchasing power and increase real (not nominal) rates of interest, thus continuing to act as a drag on industry and a check on the absorption of the unemployed. On the other hand, if that unforeseeable fresh spurt in the output of gold should take place, there would ensue a fresh disturbance of monetary conditions of an inflatory character. The question of future currency policy has now been referred to a Royal Commission representative not only of the most important interests but also of the chief schools of economic thought, thereby creating a precedent. If only it can see its way to a unanimous, or nearly unanimous

[1] The question is often asked, " How is it that with such great depression of trade and employment, people, at least in London, seem to have more money to spend on amusements, comforts and luxuries of all sorts, including Christmas presents, than ever before ? " The answer is partly, because they have fewer babies, and babies are expensive ; but chiefly, because of the increased nominal, and much more increased real income of the *rentier* class.

report, the country will do well to follow its advice. Meanwhile we must regard the great damage inflicted by the alternation between reckless inflation and reckless deflation as a past accidental injury, of which the evil effects remain, time being for them the only available remedy.

If only what the rulers of the country's money were doing had been understood at the time, much of the damage that actually occurred would have been prevented ; but it was not understood even in governmental circles. Simultaneously with the presentation of the final Cunliffe report, the Babington Smith Commission made its report on Indian currency, which recommended, in effect, that the sterling value of the rupee, which had risen greatly in consequence of the inflation of our money, should be forced up still higher, a recommendation, no doubt, largely based on an expectation that sterling would continue to depreciate. The attempt on the part of the Secretary of State for India to follow that advice, was, owing to the simultaneous rise in sterling, both doomed to failure, and, while it lasted, disastrous to India, to all British trade with India, and to the political relations between Britain and India. Deflation also was fatal to the Housing policy of 1920 and very detrimental to the working of the Unemployment Insurance Act of the same year. Where Government departments were so unaware of the bearing on their activities of governmental currency policy, it is no wonder that private business should have been caught napping. Prices had been rising since 1900, slowly till the outbreak of war, rapidly during the war, and with increased acceleration after the Armistice. What wonder if it seemed prudent for great trading concerns like, for instance, the Co-operative Wholesale Society, to buy largely and to contract at high prices for future deliveries, in anticipation of a continuance of that movement, and to use their borrowing powers freely for this purpose? The losses in

many cases were enormous. As for the recapitalisation of the cotton industry, carried out under the same misconception, it was nothing less than a national disaster.

Rationalisation

The remedies for the present lamentable condition of the labour market which have been proposed are numerous. Some are good, some not so good, and some definitely bad. Any which ignore the cardinal fact of the economic position, our absolute dependence for our daily bread on imports from overseas, and consequently on our ability to produce cheaply enough to secure sales abroad, are bad, and would surely tend to greater disaster. The first place in the discussion is therefore due to proposals intended either to increase our ability to sell abroad, or to diminish, to some extent, our dependence on foreign imports.

In his weighty contribution to the discussion [1] Professor Clay puts his faith in Rationalisation, but expresses the opinion that this will not be achieved without State interference. On this the *Times* reviewer opined that if rationalisation were profitable it would be carried out without State interference ; if it were not, that interference would do no good. There are, however, in certain industries which are admitted to need rationalisation, difficulties in the way of vested interests and undue conservatism of outlook, which have hitherto caused employers to refuse to act themselves, while energetically protesting against the State acting instead.

The great success of rationalisation has been achieved in Germany, contributing very largely to the wonderful recovery of German prosperity since 1924.[2] The idea originally conveyed by the word was " rationing," that is the allotting of work among the firms engaged in a

[1] *The Problem of Post-War Unemployment* (1929).

[2] See W. Meakin, *The New Industrial Revolution.*

particular industry in such a way as to reduce the cost of production ; as, for instance, by concentrating in coal-mining on the best seams of the best mines, or in textiles, of causing particular mills to specialise on the production of particular qualities of yarn or patterns of cloth. Such rationing can only be carried out after a certain amount of trustification and horizontal combination has taken place, either by amalgamation of companies or by some other device. Sir Mark Webster Jenkinson, in a valuable paper on "The Dangers of Rationalisation" read in Oxford on 1st November, 1929, specified as the first of those dangers the idea, which he said was prevalent in this country, that such amalgamation and trustification by themselves constituted rationalisation, whereas they were merely a necessary preliminary to the real work of reorganising so as to secure larger outputs to be sold at lower prices, as well as produced at less cost, together with better conditions of work and wages for all employed in the industry.

The recent progress of rationalisation in Britain is a subject on which more information would be welcome. It may be proceeding most effectively in quarters from which little is heard. In British industry as a whole the annual output per head of workers engaged is increasing, and particularly in iron and steel, the comparison between the first three quarters of 1929 with those of 1928 being for that industry :

	Variation per cent.		
	First quarter.	Second quarter.	Third quarter.
Numbers employed - -	+3·0	− 1·0	+ 6·3
Output - - - -	+4·3	+15·0	+25·0

The exports of iron and steel during 1929 exceeded those of any previous year since 1913. The trustification

of the Chemical industry has been accomplished by Lord Melchett, and presumably its rationalisation has been, and is proceeding. In these industries, and probably in most others, outside interference, either in the way of advice or compulsion, on the part of the State or private persons, is unlikely to be productive of any useful result.

There are, however, certain notable exceptions, of which cotton and coal are the most prominent.

Nowhere, probably, except perhaps in the City of London, is the doctrine of *laisser faire* so firmly held as in Lancashire ; and in scarcely any industry, except perhaps in coal mining, has there been manifest in its directorate such unflinching confidence in the perfection of its methods. Such optimism was natural after a century of triumphant success. And so, when prospects darkened, although operatives called for governmental enquiry and Mr. J. M. Keynes published trenchant criticisms in the *Nation*, the cotton magnates turned a deaf ear to admonition through year after year of shrinking markets and falling profits, trusting to such suicidal devices as short time and reduced wages. At last, however, disillusionment has come, and a more hopeful, because humbler, state of mind. The *Manchester Guardian* tells us, " the Cotton industry has not yet recovered its old vigour, and its leaders, in a mood of acute self-examination, are deeply concerned with schemes of reconstruction." [1] The progress of those schemes reported up to 20th December, 1929,[2] was that 71 companies controlling 6,750,000 spindles and 20,000 looms had agreed to come into the Lancashire Cotton Corporation, and negotiations were proceeding with 45 more ; that Combined Egyptian Mills, Ltd., was giving the benefits of co-operation to the owners of 3,000,000 spindles in the fine spinning trade who are not connected with the Fine Spinners' and

[1] 27th December, 1929—Article, " Manchester in 1929."

[2] *Ibid.*, 31st December, 1929—Article, " Cotton Trade's Disappointing Year."

Doublers' Association, and "encouraging results have also been achieved by a vertical combination of interests specially designed to recapture a big slice of the trade lost to China through Lancashire prices being too high." Some progress has been made in the painful but necessary task of writing down capital, and in the conversion of fixed charges into "income debentures," which only receive interest when it is earned.

A beginning of rationalisation has evidently been made, but as yet only a very small beginning relatively to the magnitude of the task. The reconstruction required applies to all sides of the industry, financial, commercial and productive; on the commercial side it extends to the relations between spinners and weavers, weavers and finishers, producers and merchants, merchants and distant markets; on the productive side there is admittedly much room for economy by increased specialisation, and reduction of overhead charges. The State might help to speed up the movement. In the paper previously referred to, Sir Mark Webster Jenkinson advocated the creation of Industrial Banks for industries requiring and undergoing rationalisation as a means of overcoming the financial difficulties in the way of amalgamation and reduction of fixed charges. The suggestion seems specially applicable to cotton, but it would obviously be easier to carry it out if a suitable public authority took the initiative; if not the State, possibly a joint committee representing the county boroughs of the cotton district.[1]

But we have here to examine rationalisation from the special point of view of its effects on employment; both directly, in its bearing on those employed in the industry which is being rationalised, and indirectly on the demand for labour in other industries. The broad effect of the process is to increase the output per head of employed persons. If the actual output is increased, and the

[1] Since this was written it has been announced that "the City," which presumably includes the Bank of England, is taking the initiative.

numbers of those employed not reduced, the effective demand for labour in other industries is increased ; but if, on the other hand, the output is not increased, but the same output is obtained by the employment of fewer workers, increased unemployment results in the industry undergoing rationalisation without any counterbalancing benefit to other industries. In the cotton trade rationalisation appears to be required merely to save what trade Lancashire still retains, and whether any considerable recovery of lost trade is possible can hardly be guessed. A move is being made in the direction of increased use of automatic looms, of which eight, instead of the usual four, are assigned to each weaver. What increase of sales will be obtained is doubtful. At any rate during some years to come, progress in rationalisation in cotton appears more likely to increase the numbers of the unemployed than to diminish them,[1] though it may prevent a still greater increase of unemployment resulting from allowing the present conditions to continue. Much the same conclusion is indicated with regard to coal. At the Conference on Unemployment organised by the League of Nations Union in February 1930, Mr. Butler, Assistant Director of the International Labour Office, reported that in the Ruhr, without any increase of hours, 10,292,000 tons per month were raised in 1929, as against 8,695,000 tons in 1928, but the number of men employed was reduced by 56,000, from 411,000 to 354,000.[2] The extra 1,600,000 tons produced monthly would, no doubt, enhance the prosperity of other German industries, but if they also were rationalising, they might not employ more labour.

In coal mining the need for State interference appears to be admitted by everybody except the mine owners, but the proposals put forward by the Government are viewed

[1] Mr. Thomas, in the House of Commons, 21st January, 1930, said that " he was encouraging certain schemes of rationalisation because they were in the interests of the country, but the effect of them must be to add to unemployment."

[2] *Headway*, April 1930.

with much misgiving. All that need be said here is that, whether successful or not in increasing profits and wages, they are not likely to result in a reabsorption by the mines of the unemployed miners. Reduction in their numbers is already taking place by transference to other work, and for further reduction we must rely on the same process. Whether the reorganisation of the coal-mining industry which is now beginning will tend to improve the demand for labour in other industries depends on whether it cheapens the supply of coal *to home industries* and home consumers, or makes it dearer. Unfortunately the coal miners themselves seem to think that dearer coal is desirable. Not much improvement in the situation with regard to employment, therefore, is to be expected from rationalisation of the coal and cotton industries.

But there are two great industries of vital importance to the nation, in which rational reorganisation, if not rationalisation in the accepted meaning, is called for imperatively, and in which the effect would be a great increase in the effective demand for labour. They are fishing and agriculture.

With regard to fishing, the enormous gap between the price paid for fish to the fisherman and that paid by consumers to the fishmonger is nothing less than a crying scandal. Mr. Arthur Shepherd recently in the *Daily Express* [1] told of his experience of going out with the boats, travelling to London with the fish train, and then following the fish to a shop. "The fishermen who risked their lives for eighteen hours received *one penny per pound* as a reward. I paid *eightpence per pound* at the shop for the same fish. What happens to that sevenpence?" It is hardly necessary to say that this experience is entirely typical. It is not beyond the wit of man to devise plans by which some of that sevenpence should go to the fisherman and some of it be knocked off the price. What is needed is to impose the duty of devising such plans, and

[1] 25th November, 1929.

of seeing that they are carried out, on some competent authority. The Fisheries Department of the Ministry of Agriculture and Fisheries is the authority obviously indicated. It would need additional powers, and should be invited to ask for them. Well organised marketing, with the fishing ports in wireless communication with the fishing fleets, and in telephonic communication with one another and with inland markets, should make possible the regular supply of fresh fish to the poorer consumers, as well as to the well-to-do, at much lower prices than at present, and the prompt consignment to curing establishments of the surplus when the catch is large. As the Liberal Summer School was told at its last meeting in Oxford, " Recently off the coast of Scotland the catch of fish was so large that the price slumped to such an extent that it would not bear the cost of transport to market, and it was dumped on the fields for manure. At the same time the crop of potatoes was so good that the price slumped similarly ; they would not pay the cost of lifting, and were ploughed again into the ground. Why not send potatoes to the fishermen and fish to the potato growers, and let both sets of workers have fish and chips ? " Our present somewhat chaotic system of marketing at times turns plenty into a cause of disaster to producers whose only crime is that they have done their work too well.

Revivification of Agriculture

It is agriculture which supplies the great potential field for increased employment. Everybody knows this who has given any attention to the subject. Schemes for agricultural reorganisation are not lacking. The practical difficulty is simply that omelettes cannot be made without breaking eggs, and British agriculture cannot be reconstructed in such a way as to enable it to supply a decent livelihood to an increasing number of workers, instead of only starvation wages to a dwindling number, without

some sacrifice of present custom, of outworn theories, and even of vested interests.

With regard to the full potentiality of the country for increased food production and agricultural employment, we may find a convenient basis for discussion in the enquiry made by the Board of Agriculture during the war into German methods and achievements.[1] Lord Selborne, President of the Board, in his prefatory note, explained how the enquiry came to be made.

> "It has been part of my duty at the Board of Agriculture and Fisheries to make a study of the agriculture of Germany, and in the course of my work it became apparent to me that, if agriculture had made no more progress in Germany than it has in the United Kingdom during the period 1895 to 1915, the German Empire would have been at the end of its food resources before the end of the second year of the war, and that, as a matter of fact, the war was being fought by it just as much on an agricultural as on a military organisation of the nation."

With regard to English and German progress in agricultural efficiency, the following table is given showing the yields of the most important crops in two periods :

AVERAGE YIELD PER ACRE PER ANNUM

	England and Wales.		Germany.	
	1885-1889.	1909-1913.	1883-1887.	1909-1913.
Wheat (bushels) -	29·5	31·2	19·8	31·6
Barley ,, -	32·4	32·7	22·7	36·7
Oats ,, -	38·8	39·0	25·7	44·6
Potatoes (tons) -	5·9	6·2	3·4	5·4
Meadow Hay (cwt.)	26·1	23·1	22·5	33·7

Striking as is the difference shown between the practically stationary yield in England and the great advance

[1] *The Recent Development of German Agriculture*, by T. H. Middleton, C.B. Cd. 8305, 1917.

in Germany, the figures really understate the facts, since the area under cereal crops in England and Wales was considerably reduced between the two periods, which involves concentrating more completely on the best soils, whereas in Germany the acreage was fully maintained. With regard to natural advantages,

> " It could probably be shown that the production of the two countries in the eighties of last century is a closer index to the natural advantages enjoyed by cultivators in each than the production in the period immediately before the war. There is much very poor land in Germany. Only one-fifth of the soil of Prussia, for example, can be classed as good ; two-fifths consists of indifferent loams ; and two-fifths is very poor. The climate of Germany may, on the whole, be better adapted for the ripening and ingathering of corn than the British climate ; but it is certainly not so well suited for the growing of large crops of grain, potatoes, roots, and hay as our own." [1]

Even more significant than the foregoing figures is the following statement with regard to the average output per hundred acres of cultivated land in the two countries respectively :

> " On each hundred acres of cultivated land :
> (1) The British farmer feeds from 45 to 50 persons, the German farmer from 70 to 75 persons.
> (2) The British farmer grows 15 tons of corn, the German farmer grows 33 tons.
> (3) The British farmer grows 11 tons of potatoes, the German farmer grows 55 tons.
> (4) The British farmer produces 4 tons of meat, the German farmer produces $4\frac{1}{4}$ tons.
> (5) The British farmer produces $17\frac{1}{2}$ tons of milk, the German farmer produces 28 tons.
> (6) The British farmer produces a negligible quantity of sugar, the German farmer produces $2\frac{3}{4}$ tons." [2]

And yet it is not alleged that British farmers were, or are, on the average inferior to German in technical efficiency.

[1] p. 7. [2] p. 6.

They also would produce much more abundantly if commercial conditions allowed.

Leaving out potatoes, which in Germany were used largely for other purposes than human food, and to which about six times as large a proportion of the cultivated area was devoted in Germany, it would appear that from a hundred acres German farming produced twice as much solid food as British (40 tons against 19), and, even allowing for the inferior quality of German milk, a greater quantity of food value in the form of milk and milk products ; and the inference is that not only did it feed more than half as many people again, but it also fed them more amply, an inference quite in accordance with current observation of the appetites and dietetic customs of pre-war Germany. Money wages of agricultural labourers in Germany were low, and in the east, then still only slowly emerging from feudal serfdom, the conditions in many respects were rather deplorable ; but taking the country as a whole, it seems pretty certain that on the average the German workers on the land, many being peasants and owners of property, while they worked harder, also lived better than their British contemporaries, of whom the great majority were landless labourers. The conditions were so different that it is difficult to compare the two countries with regard to the number of workers employed in them, but putting it broadly we can say that on a given cultivated area Germany employed nearly twice as many men in agricultural work and about six times as many women.[1] In fact, the great and increasing output was obtained mainly by applying more labour and more manure to the land.[2]

With regard to employment, to have brought up the number of men employed per unit of area of cultivated

[1] p. 16.

[2] Note also, that whereas we had about four times as large a proportion of our land used only to supply inferior grazing as Germany, Germany had five times as large a proportion of woods and forests.

land (apart from women) in England and Wales to the German standard would have involved recruiting an additional labour force of one million. A German visitor recently remarked to the present writer, after touring the Midlands, " I cannot understand you English, you have a million unemployed, and yet you leave your land uncultivated." Even in the three or four years which have elapsed since that remark was made, more of our land has passed out of cultivation, and the number of unemployed at the end of 1929 was over 1,300,000.

During the war much grass land was ploughed up and the production of food increased. After the Armistice the ground recovered was lost again, and both the total area under cultivation and the acreage of arable are less now than in 1913. Nor is there any prospect of an automatic recovery. Consider, for example, the statements of Mr. Arthur G. Street, a tenant farmer in Wiltshire [1] :

> " There are only two things which can make ploughland farming a business proposition ; either the cost of labour must go down, or, alternatively, the price of food must go up.[2] . . . You must either reduce the cost of production, which is 80 per cent. labour, or increase the price of the product. . . . What then should the British farmer do to be saved ? . . . As it is not in his power to raise the prices of his products, he is faced with the alternative of cutting down his labour. In other words, he must lay everything down to grass and go in for the production of meat and dairy produce under Colonial ranching methods. . . . That 80 per cent. of the labour can be dispensed with when ploughland is grassed is an actual fact. To-day in increasing numbers farmers are doing this. I know of one 400 acre ploughland farm now grassed and keeping 100 dairy cows. The total regular labour employed is one

[1] The *Daily Mail*, 22nd November, 1929.

[2] There is a confusion of thought here. The remunerative prices for cereals that the arable farmer needs do not necessitate an increase in the price of bread. The sudden collapses in wholesale wheat prices which ruin the British wheat-grower, bring no benefit to the consumer of bread. *See* A. H. Hurst, *The Bread of Britain* (1930), for an expert analysis of the grain trade.

boy of 15 years and one boy of 18 years. You can go still further in this direction if you do not keep a milking herd. Put a sheep fence around the farm and just keep a dog.... In ploughland farming to-day a farmer produces, roughly, £10 per acre at a cost of anything between £11 and £15, heading surely for the bankruptcy court. Under this ranching system he would produce approximately £5 per acre at a cost of from £3 to £4. This, while saving the farmer from bankruptcy, makes the nation lose the difference of £5 per acre, which would have to be imported.... For obvious reasons these methods are not applicable to every acre of Britain, but they are, I think, possible in some form or other for the bulk of the non-paying ploughland. Definitely I say that they are slowly being adopted."

Whatever may be thought of some parts of this statement, there can be no doubt about the accuracy of the last sentence. There are some farmers who are trying to increase their gross output and employ more labour; there are more acting on the lines explained by Mr. Street; perhaps more still who look to the reduction of wages for salvation from bankruptcy. Thus we have had recently the cry of the Norfolk Branch of the Farmers' Union, "It is up to us to ask the Minister to deal with the minimum farm wages of thirty shillings a week just fixed by the Agricultural Wages Committee. Farmers do not want to reduce wages, but having regard to the price for their produce they simply cannot pay them." But what chance would they have of successful farming if they were allowed to reduce wages? Would not their prospects be even worse?[1] Look at the question from the labourer's point of view. "Now that Steve and Will are gone,[2] we have only two men left who are not 'past it' or in body or brain below the standard of efficient farm

[1] A New Zealand farmer remarked to the author, after an investigation into farming conditions in southern England, "I am sure I could make farming pay in England, but I should have to import New Zealand labourers, paying, of course, New Zealand wages."

[2] *England's Green and Pleasant Land*, p. 116 (2nd edition, 1926).

workers. . . . It is certain that neither Steve nor Will wanted to leave the land. But what was the land doing for Steve and Will? The land did not seem to feel the same need as the Police for serviceable workers. The Police undertakes to pay Steve and Will £3 10s. a week instead of the 25s. they have had, and, before they are fifty, a pension of three-fourths of what they are then earning, and they both have the makings of sergeants."

The immediate problem, then, is to make it worth while for the Steves and Wills to stick to agriculture. If agricultural conditions are not good enough to accomplish that, they can hardly be good enough to make it profitable for newcomers to enter the industry, either as labourers, smallholders, or tenant farmers employing labourers; for such newcomers, as the author just quoted puts it, "are entering lightly on the oldest craft in Britain, the cultivation of the earth and the care of its cattle, a craft at which experts, who are of a longer line of experts than the men who pursue any town calling, often fail." True, some of the newcomers who have been "settled on the land," at an expense which the Industrial Transference Board considers to be now prohibitive, have succeeded surprisingly; but in order that the number of such successes shall be enough to make an impression on the mass of unemployment, the prospects of making a decent living out of small holdings must be improved considerably.

It seems unfortunate that many of those who are most anxious that farming shall become more profitable cling to the hope of a return to the protective tariffs of a hundred years ago. This could only be obtained by converting the urban elector; and in view of past experience he is not likely to be convinced, against his apparent interest, that such tariffs will even be good for the workers in agriculture. During the period 1825-1845 when the Corn Laws were the subject of continual agitation, the farmers' cry of agricultural depression was almost inces-

sant, while the spokesmen of the Anti-Corn Law League coined phrases which still stick, as " The Hungry Forties," and " I be protected and I be starving," reported as the saying of an agricultural labourer.[1]

This hopelessness, however, may not apply to Lord Beaverbrook's agitation for " Empire Free Trade." His opponents will contend in vain that this is only " Protection " under a new name ; directly you give a new name to an old idea you can secure a re-examination of its merits, and can argue, with some chance of getting a hearing, that it can be adopted with advantage under existing conditions.

We have therefore to consider whether " Empire Free Trade," applied to food, is free from the vices of the Protection of the early nineteenth century ; and therefore to enquire what those vices were. And on this question there is much misunderstanding.

The Corn Laws were passed to increase the prices of cereals, and therefore it was at the time, and is still, hastily assumed that they increased the price of bread. Whether they did, on the average, actually make food dearer is a question which has never been investigated, and my own opinion is that in all probability, on the average, they did not. What they undoubtedly did was—

(1) They created in the minds of tenant farmers an expectation of a high level of prices which was only reached in years of scarcity.

(2) Tenant farmers were thus induced to offer more than economic rents for farms.

(3) They were therefore driven to squeeze down wages.

(4) They were also, by the fallacious hope of those high prices, induced to increase their output of protected grains, particularly wheat, to the utmost, with the result that in good years prices slumped disastrously.

(5) The gambling element in farming was therefore enhanced.

[1] For the actual causes of such starvation see above, p. 104 and Chapter V

(6) While tenant farmers and labourers were injured, landowners appeared to profit through the enhancement of rents.

(7) This profit, however, was partly cancelled by the increase of poor rates and by the social unrest caused by efforts to cut down those rates on top of the cutting down of wages. A share, perhaps the biggest share, of the profits went to tithe owners, clerical and lay.

(8) The general social effect was to perpetuate and intensify the subjection of the labourers to the farmers, and of the farmers to the landowners, and the perpetuation of the unholy alliance of squire, parson and big farmer, which came down as an inheritance from the eighteenth century.

If the " Empire Free Trade " proposals are likely to be welcomed in Canada, Australia, New Zealand and South Africa (obviously they are not likely to be listened to in India), they will have to be taken seriously in this country. We have had but one by-election fought on this issue, and a careful consideration of the figures leads to the conclusion that if the Conservative Party follows its own inclination, and Lord Beaverbrook's lead, it will strengthen rather than weaken its hold on the electorate.

But whether a tax on food-stuffs imported from foreign countries would be helpful to agriculture is another question. It would, no doubt, tend not only to a temporary diminution of farmers' pessimism and an enhancement (or a check to the reduction) of agricultural rents,[1] but also to the perpetuation of a system of land tenure which is admittedly obsolete.

For the essence of our system is that the community entrusts the rule and guidance of agriculture to the private landowner. According to Lord Ernle[2] this system worked admirably in the eighteenth century. On that point there is room for difference of opinion. But

[1] Derating of agricultural land obviously has this tendency.

[2] *English Farming, Past and Present.*

at the present day we may classify our private landowners[1] as follows :

Class I. Those who, by character, ability and resources, are up to their responsibilities, and fully earn the incomes they receive by way of rent.

Class II. Those whose estates are so large that no ordinary man can give them the attention they require.

Class III. Those who are unable to do justice to the land for lack of capital.

Class IV. Decent amiable folk who, for lack of sufficient knowledge, brains or force of character, or by reason of age or physical infirmity, are of no great use to agriculture or to their own neighbourhoods.

Class V. Owners who do not recognise that their ownership is a trust, and look upon it merely as a very proper arrangement decreed by the Powers That Be to supply them with incomes and opportunities for sport.

It would be interesting to get from some well-informed and unbiassed observer an estimate of the percentage of our total cultivable area in the possession of each class. One thing is certain, that the reorganisation of agriculture in the interests of the whole community must not be left to those who dominate the rural districts now. It must be undertaken by some outside authority, and the best that can be hoped from our squires and great nobles, is that the assistance furnished by the most enlightened and public-spirited among them will go some way to counterbalance the obstructive efforts of the majority. Our hope must be in the Ministry of Agriculture, better supplied with funds and armed with larger powers, assisted, we may suggest, by a consultative committee of agricultural experts, and by the co-operation with it of the County Councils of rural counties. These, subject to the national

[1] Pre-war landowners have largely abdicated, by selling their agricultural properties, and investing the proceeds otherwise. But this has seldom freed the actual cultivators, and their power has usually passed into the hands of moneylenders, traders and "farmer dealers," *i.e.* dealers who also hold farms to which they can transfer stock.

will, must supersede private landlordism as the rulers of the countryside.

In the discussion of this problem the function of townsmen, like the present writer, includes the duty of forming definite opinions as to the end to be aimed at, and as to who are the right people to be entrusted with the task, but it is for experts to determine what practical steps should be taken in order to achieve the end desired, which is the reversal of the present downward course and the conversion of our depressed agricultural industry into one that year by year offers a satisfactory livelihood and a satisfying life to a continually increasing number of men, women and children.

The Liberal and Labour Parties have both put forward agricultural programmes, and Mr. Montague Fordham and the Rural Reconstruction Association[1] have been stressing particularly proposals for electrifying the countryside and standardising prices, urging that farming, which is necessarily a gamble in weather, should not also be unnecessarily a gamble in prices; that marketing should be organised by a representative non-profit making distributive trust, so as to eliminate short-period fluctuations in prices, which in some cases vary enormously within the space of a few hours, to increase the price obtained by the producer without increasing that paid by the consumer, and allow farmers to concentrate on their proper job, the production of food, making profits out of that instead of out of getting the best of their neighbours in deals.

There are, however, certain broad principles which appear valid, but which may be lost sight of in the discussion of details:

(1) Certain proposals must be considered mutually dependent. Thus, it is of little use to increase the output

[1] Note particularly *A Memorandum on Unemployment* (1930), published by the Rural Reconstruction Association, 65 Belgrave Road, S.W. 1; see also its *A National Rural Policy* (1925).

and its value if the profit ensuing is appropriated by landowners in the form of increased rent. Nor, on the other hand, is it any use to convert private into public ownership of the land unless the quantity and value of the produce is also increased.

(2) In the past labourers have been subjected to farmers and their interests considered as relatively of little account; and farmers subjected to landowners. In the future this must be reversed and the interests of the labourers put first.

(3) The labourers' needs are both physical and psychological, and the greater our psychological needs, the less easy it is for us to realise what they are and how they can be met. The material needs are, primarily, better wages and good cottages. The psychological needs are innumerable, but wireless, Women's Institutes, Rural Community Councils, County Education Committees, the Red Triangle, and the Universities of Oxford and Cambridge are all contributing to meet those needs, while the motor and motor-bicycle are transforming the environment, not altogether to the advantage of rural folk. But to quicken the intelligence, enlarge the interests and increase the book-knowledge of the rising generation of villagers may tend only to accelerate still more the drift of all the most vigorous in body and mind into urban occupations, unless the conditions of access to land are so altered as to offer the *carrière ouverte aux talens* to the young agriculturist. The starting point of such a career, it seems to me, should be the cottage garden, which is better than an allotment, but it should be a garden with a movable back fence, so that when its original area has been brought into good cultivation and stocked up to capacity with fruit trees, an extra bit of land can be added. Every facility, in case there is a local demand, should be given to parish councils to hold land immediately adjoining the village as a cow common ; and foxes should not be allowed to penalise poultry rearing. There are pertinent remarks about the

right sizes of agricultural holdings in Mr. Middleton's report quoted above, which seem worthy of attention when a larger share of the responsibility (and the income thereby accruing) of landownership is assumed by public authorities.

A word must be added on the subject of standardising of prices. While reversion to the Corn Laws of the eighteenth and nineteenth centuries is impossible, it has also to be noted that freedom of trade, in the sense of freedom of individuals to engage in trade, is also, so far as the import of the chief food staples is concerned, rapidly becoming obsolete. For example, there is no written law to prevent anyone from embarking on the business of importing Argentine beef in competition with Vestey's ; nevertheless, if a freeborn Briton should venture on doing so the penalty of bankruptcy would be enforced. The revolutionary change which has taken place in the grain trade even since 1921 is lucidly explained by Mr. A. H. Hurst in *The Bread of Britain*. Where ten years ago there was free competition, to-day more than two-thirds of our imports of wheat are controlled by foreign monopolistic organisations, the speculative dealings in the Chicago Wheat Pit swamp by their enormous magnitude sales and purchases of actual grain in the control of prices, which fluctuate violently and incalculably. On the other hand milling is rapidly falling almost entirely under the control of a few great firms. The result is that the unorganised British wheat growers have to sell at prices which do not fairly represent the market value in comparison with the pool-controlled imported wheat, and the consumer does not benefit. For instance, while the wheat price in Liverpool was only $5\frac{1}{2}$ per cent. higher in May 1929 than in the same month in 1914, the London price of bread was 55 per cent. higher, though milling and baking costs were less.[1] Competitive trade has given place to organised trade, and it now seems necessary that the community

[1] pp. 50, 51.

should take a hand in the organisation and control it in the general interest, in the estimation of which the rural producer should be considered as well as the urban consumer. The simplest plan—perhaps not the best—seems to be that the import of staples, like the chief cereals, of which the country never produces enough for its own consumption, should be a State monopoly, purchase being made at market prices, preferentially from such colonial organisations as the Canadian Wheat Pool, and sales at prices announced, say, three years in advance ; the level of sale prices being such as to leave a net profit to the department over a series of years. In wheat, with also some control over milling and prohibition of the practice of using deleterious chemicals as " improvers," it would probably be possible to secure full supplies of really good bread at the price at which sophisticated bread is now sold, and yet give the home grower a remunerative price. The success of the Hop Control Board indicates the lines on which a Wheat Control Board might act. It would appear that while it is disastrous to let things drift, " Empire Free Trade " would not touch the malady.

The Ministry of Agriculture is already taking a hand in the organisation of marketing, with promising results. In Russia, before the war, the Zemstvos, which correspond to our County Councils, had their " Agronomes," and the time seems ripe now for the organisation of a local agricultural service linked up with the Ministry of Agriculture, in the same way as the work of local Medical Officers is linked up with the Ministry of Health.

To sum up, then, the relation between the agricultural problem and that of unemployment, we may say :

(1) That there is now reason for hope that the bottom of the post-war decline of agricultural prosperity should now nearly be reached, and that revivifying forces can be brought effectively into operation if the country so decides.

(2) That, with a steadily pursued policy of agricultural development, it should be possible, on the basis of existing

knowledge, to increase the numbers of agricultural workers by about half a million ; and, utilising the extra resources which probably will be made available by scientific research, by another half million, with a satisfactory standard of life for all.

Would not this react also to the advantage of the urban population and manufacturing industries ? It is sometimes argued that if we imported less agricultural produce other countries would be less able to buy our goods, and so what was gained by the increased production of food at home would be lost by the decreased sale of manufactured goods abroad, since " imports must be paid for by exports." This is pure nonsense. The sale of a given value of agricultural produce to urban districts creates just as much power to buy goods from our manufacturers if it comes from our own villages as if it comes from abroad, and that purchasing power is more likely to be used to the advantage of our industries. It is true that imports of goods must be paid for by exports, but not that they must be paid for by exports of goods ; the exports may be of securities or of other " invisible exports." In the face of the great difficulty of holding our own in foreign markets, every increase in the purchasing power of the home market is a substantial help to manufacturing industries ; and there is no other way of increasing that purchasing power so effective as increase of the output of the fields.

To many people the strongest argument for the plea that rural reconstruction should be taken in hand vigorously, is the feeling that our country has become over-urbanised, and we ourselves mechanised. Said Rabindranath Tagore,[1] " I think civilisation is cannibalistic. Villages are being eaten up by the cities. That is what happened in Greece and Rome. Towns are too extortionate. The enormous resources of the earth are being wasted by a spendthrift way of living." As for the reaction on char-

[1] *Hindu Illustrated Weekly*, 28th July, 1929.

acter and happiness, Aldous Huxley says, " Creative work, of however humble a kind, is the source of men's most solid, least transitory, happiness. The machine robs the majority of human beings of the very possibility of this happiness. . . . Pursuing the ideal of superhuman business efficiency, men mutilate the imaginative and instinctive side of their natures. The result is that they lose their sense of values, their taste and judgment become corrupted, and they have an irresistible tendency to love the lowest when they see it." The only remedy, he says, is " compensation by the creative labours or amusements of leisure." In the face of the " propaganda in favour of the creation-saving amusements," " it will certainly be difficult to create a desire for the de-mechanisation of leisure. But unless such a desire is created, the races of the industrialised West are doomed, it seems to me, to self-destruction—to a kind of suicide while of unsound mind." [1]

Consider now the cry of the Norfolk agricultural labourer, " We want bread and roses." Is not that the soul-saving alternative to the soul-destroying demand, " *Panem et circenses*," of the demoralised urban proletariat of all cities at all times? Of all creative amusements that of creating beautiful living things, like roses and apple blossom, and the joyful blooms of scarlet-runner beans, is perhaps that of the widest possible appeal. Where the conscious desire for it exists, it is a sin that it should be denied.

Political Parties and Unemployment

When we are looking for one thing we frequently find another, as when Saul, looking for his father's asses, unluckily found instead a kingdom, and therewith madness. We have examined rationalisation of the coal and cotton industries, and reorganisation of fishing and

[1] *Do what you will* (1929), p. 86 *et seq.*

agriculture, and found therein prospects of the liberation of some of those who now toil uncomfortably and dangerously in the bowels of the earth, and of a better life for the most shabbily treated of our most useful producers, but no prospect, for the immediate future, of any considerable reduction of the 1,638,000 [1] unemployed.

But the Labour Party has "a positive remedy for unemployment," and so has the Conservative Party, while Mr. Lloyd George has announced that "we can conquer unemployment" if we follow his lead. We have therefore to consider what these three remedies are, and what each is worth.

The remedy of the Labour Party is the nationalisation of the means of production. It is not certain to what extent its leaders believe in their official remedy; appearances rather suggest that too ardent a faith has been regarded, in the constitution of the Cabinet, as a disqualification for office. That question, however, has no immediate importance. Obviously nothing can be attempted in this direction without at least the passive support of one of the other two parties, both of which denounce the doctrine of general nationalisation. As long, therefore, as the Labour Government, being in a minority, holds office, it must confine its efforts to those items in its programme which command the assent of one of the opposition parties, or resort to the morally wholesome but distasteful plan of adopting proposals put forward by the opposition.

The Conservative remedy is, in the main, to leave industry to work out its own salvation, but to lend a ready ear to requests for government assistance from the leaders of industry. Thus the late Government passed the Local Government Act of 1929, and shifted the burden of rates on productive plant to a considerable extent on to the general body of taxpayers; on the whole, no doubt, a useful measure. Officially extension of "safeguarding"

[1] Figure for 24th March, 1930.

is added to this programme as a subsidiary item ; and since the General Election, the Empire Free Traders have been given reason to hope that their policy will be put in the forefront of the official programme for the next General Election. The Lord Privy Seal appears to favour the main item of the official Conservative programme, but the Chancellor of the Exchequer is believed to hate " safeguarding " with a deadly hatred.

" Safeguarding " is what was called by the Indian Fiscal Commission " discriminating protection." Its advocates say it does good to the protected industry, enlarging its capacity to provide employment. Its opponents admit this, but say that it does a greater amount of harm to other industries. The argument has to be theoretical, because there is no way possible of measuring statistically the indirect results. Theoretical reasoning leads to the conclusion that the effects differ according to the industry protected.

As a typical example we may take pianos. Suppose the necessary sale price [1] of a German piano in England is £40, that of an English piano of the same quality £50, and the duty £10. Messrs. *A* and *B*, but for the duty, would each buy a £40 German piano ; actually *A* buys an English piano for £50 and *B* a German one, also for £50. The effects of the duty are, therefore, *from the point of view of industries other than piano making*, a loss of £20 to *A* and *B*, which will reduce their effective demand for commodities other than pianos to that extent, and a loss to exporting industries of a possible (but not certain) sale of goods abroad to the amount of £40 to pay for one German piano, making a total loss of custom of £20, or of £60, or something in between. On the other hand,

[1] *i.e.* the lowest price which will cover all producing and selling costs. It should be noted that pianos are used here merely as an illustration of an industry in which it is *assumed*, for the sake of argument, that the protective duty does not lead to any change in productive methods and home costs of production, and no attempt has been made to ascertain if that assumption is correct.

the extra £50 gained by the British piano trade will be spent on goods, and there is a gain to the revenue of £10, making a total practically certain gain of custom of £60. The losses and gains may exactly balance ; if they do not, there is a net gain. Thus far it would appear that even if the whole of the duty is passed on to the consumer in the price, there is at the worst no counterbalancing loss of employment in other industries to balance the benefit to the protected industry. There is, however, also the conceivable but improbable case of *C*, who is debarred from buying a piano because the duty puts it beyond his reach, and is thereby prevented from earning his living by giving piano lessons. If the *C*'s actually exist in appreciable numbers, the situation is altered, and this would, no doubt, be admitted by the advocates of safeguarding.

The traditional free trade argument, however, starts from a different basis. It urges that the duty on pianos, which increases profits and employment in the home piano industry, thereby attracts capital and labour from other industries, and that if it were withdrawn, that capital and labour would flow into other industries in which it would be more remuneratively employed. But if we enquire into the authority for this statement we find it rests ultimately on little more than Adam Smith's bird's-eye view of eighteenth-century industry, and theories which Ricardo and his successors evolved out of their inner consciousness, during a period when, among other differences from our time, there was no national unemployment insurance. The optimistic assurances that, relieved from the debilitating and demoralising dependence on State aid in the form of a protective duty, the piano manufacturers would attain greater efficiency and provide pianos so much better and cheaper that they will be able to surpass their foreign competitors and employ more workers than ever ; or that, should they fail to accomplish this feat, employers in other industries will gladly take on discharged workers, if the duty is abolished,

may be justified in the event. On the other hand, the sequel *may* be efforts to reduce wages, trade disputes, a dwindling output of pianos, and numbers of men thrown on the unemployment funds, with little prospect of ever getting as good employment again. Few people will doubt which consequence is the more probable.

The inference, therefore, is that while in the case of those industries in which the protective duty acts in accordance with the common free trade assumption, merely adding so much to the price (piano making here being taken, probably wrongly, as such an industry), it would appear that while it is undesirable to impose a new "safeguarding" duty, it is equally undesirable to take it off during a period of slack demand for labour and general unemployment, unless it can be shown that a direct injury is inflicted on some other industry dependent on the product of the protected one for some of its raw material.

But there are also industries in which a protective duty works otherwise, and of these motor-car manufacture seems beyond doubt an example. These are industries in which the economies made possible by large scale production and standardisation are very substantial, and in which the larger share of the home market secured to home manufacturers enables them, and is necessary to enable them, to enter with sufficient confidence on the enlargement of their plants and other preparations required for a great increase of output. In such cases the productive tariff tends to reduce both prime costs and, still more, overhead charges; while the increased output itself has great advertisement value; and if, as in the case of motor cars, the efficiency of their use depends on the services of local repair shops, there is a further gain in this respect to the purchaser of the British product. If the industry is held firmly in the grip of a monopoly, the lion's share of the profit accruing from these reductions of cost goes to the monopolising trust; but if the home manufacturers compete freely, it goes to the purchaser.

If, therefore, a desirable industry of this type is found to be struggling to hold its own in the home market against competitors whose chief advantage is production on a larger scale, it is good business to give it the help, temporarily, of a protective tariff; but the test of the success of this device would be that the help given might later be dispensed with; and it should be withdrawn in the event of the creation of a profit-seeking monopoly by the home producers.

The practical conclusion with regard to safeguarding is that of all possible policies that of national shilly-shally, of imposing duties and then knocking them off, and then reimposing them, of keeping those responsible for the conduct of industries in a state of continual uncertainty and suspense as to the conditions under which they will have to operate in the near future, and of submitting the issues to the judgment of the electorate, is absolutely the worst. This is the one we have lately adopted, and the sooner it is dropped, and tariff controversies removed from the sphere of party politics, the better.

The reference of this issue to a more competent authority, before which it can be argued otherwise than by catchwords, has been made more urgent than ever by Lord Beaverbrook's campaign, and by the similar campaign of Lord Rothermere. The alliance between the two men who control the newspapers of largest circulation is not only by itself a great force in our political contests, but in addition Lord Beaverbrook is unmistakably a man with a mission, who speaks sincerely, lucidly and forcibly out of honest conviction, and who, on account of his Canadian career, can speak with special authority on one important side of the question. Those opponents who expect as easy a triumph over him at the polls as over Mr. Joseph Chamberlain in 1906, if the question is again made a party issue, are quite probably in for severe disappointment. Our British industrialists are not, as a rule, protectionist; they mostly want as much freedom

of trade as they can get all over the world ; but the freedom of trade they want is not merely freedom to import unhindered by customs regulations and import taxes, but also similar freedom to export. They see everywhere the process of integration, whereby a measure of unified control is applied bit by bit to chains of businesses extending from the extraction of the original raw material to the final disposal of the finished product, making steady headway ; they see also steady progress in the process of partitioning out markets, as preferential spheres of exploitation, between different national organisations of producers. It is unlikely that they are so slack and inert as not to be examining already the question whether Lord Beaverbrook's policy will not give them greater freedom of trade of the sort they want than they have at present ; nor will it be surprising if in many cases they come to the conclusion that it will. His aim, " the largest possible area of internal free trade," is one that must appeal to them, though they have also to count the probable cost.

One consideration that will weigh very heavily is our present weakness in bargaining in negotiations over tariffs. The goods we want to export are mostly those of which the production tends to support a large population massed together on a small area ; and these are the goods of which for political and other reasons other countries particularly want to encourage the production within their own boundaries. On the other hand, the goods which we import are largely raw materials or semi-manufactured articles which other countries also would be glad to take freely if we taxed them. A potent fear of retaliation, therefore, stands in the way of taxation of imported foreign manufactures ; when our exports are taxed abroad, we fear to retaliate, feeling sure that in such a contest we should suffer most. But if the negotiating unit were not Great Britain and Northern Ireland alone, but these combined with the

Crown Colonies, with their vast potential resources, and such of the self-governing colonies as chose to enter into the union, the situation would be greatly altered, and our ambassadors would find it much easier to get a friendly hearing when suggesting to a foreign government that a proposed change in its tariff was distasteful to us.

In this connection attention may be drawn to a parallel movement of opinion which appears to be developing among our representatives at Geneva. In the past our reliance for right of access to foreign markets has been on "the most favoured nation" clause, by which, if one protectionist State, by threatening an increase of duties, forces another to lower its tariff, our traders also get that advantage. It now seems to be thought that if there were through Europe a general abandonment of the most favoured nation clause, many European States would adopt the policy of treating most favourably those other States which treat them most favourably; and would, for example, let in goods from Britain, where they have nearly a free market, more freely than the same sort of goods from America, which penalises their trade to the utmost. Certain countries, it is reported, would like to reduce their taxes in our favour, but are not prepared to confer the same benefit on America; and the fact that at present America gets in Europe the benefit of the most favoured nation clause, while levying prohibitive duties on imports from Europe, is held to be an obstacle to the general lowering of tariff barriers between the different European States.

The Liberal proposals, since they have been explained so fully and ably in *Britain's Industrial Future* and *We can conquer Unemployment*, need not be summarised here; and indeed it would be impossible to summarise them briefly and yet fairly. But it seems worth while to explain certain fundamental principles which should be kept in mind in criticising those proposals.

The task before the nation is a twofold one. On one

side it is necessary to increase the general efficiency of industry as a means, not merely of flinging on to world markets a maximum quantity of exchangeable goods, but of supplying the material basis for a high civilisation and for the fullest possible psychical development of innate potentialities.[1] On the other the actual calamity of exceptional unemployment has to be remedied without delay, by measures which are immediately effective, and which do not, by alleviating the present situation, increase the difficulties of the future. The former problem is dealt with in *Britain's Industrial Future*, the latter is that with which *We can conquer Unemployment* is concerned.

The reply of the Government of the day to *We can conquer Unemployment* was a series of six memoranda,[2] of which five were by the Ministers of Labour, Transport and Health, and the Postmaster-General. These are generally directed to the purpose of minimising the benefits of Mr. Lloyd George's proposals, and setting forth the difficulties of carrying them out in the sense in which the critics understood them. These memoranda may be of use to combat over-sanguine expectations of the possibility of easily reducing the unemployed to an insignificant number, if anyone entertained such expectations, but they do not touch the underlying theory, which may be stated thus : " The only satisfactory remedy for excessive unemployment is to provide additional employment. This can be done by raising a ' development loan ' for the execution of works, such as road improvement, land drainage, electrical development, and the like, needed to enable the industries of the country to function more effectively."

The sixth and last of the memoranda is not published as the pronouncement of a Cabinet Minister, but as having been prepared by the Treasury on the directions of

[1] " Not maximum production, but optimum cerebration." Prof. Patrick Geddes.

[2] Cmd. 3331, 1929.

the Chancellor of the Exchequer, Mr. Winston Churchill. It directly challenges the theory of the Liberal leaders, and argues that the development loan would have to be raised from existing savings, either at the expense of investment abroad, in which case there would be a great falling-off of exports, or at the expense of home investment on private account, to the great damage of home industries.

In this argument certain assumptions are implied which do not seem to be justified. In the first place it is assumed that the annual flow of savings is a fixed sum, which cannot be increased. Obviously there are ample sums available for additional saving which can be secured if an effective appeal is made, to the great advantage of those who might be induced to save. People have been too much persuaded into the theory that there is something mean and unsocial in saving money and receiving interest on it ; counter propaganda which made the great masses of working men and women realise that to invest in the development loan was one of the most effective means of diminishing suffering and demoralisation might be made very effective. The subject of investment, its methods and effects, might well be taught in schools to children aged fourteen to fifteen. The chances of success of a 4 per cent. loan perpetually on tap, to be taken up in multiples of, say, five pounds, through the Post Office Savings Banks, might well be considered. Building and Co-operative Societies offer 5 per cent., but they do not tap the whole available area ; and while Building Societies have increased their funds enormously of recent years, the scope for investment of those funds in the purchase of new houses must, one would think, shortly begin to contract. It is very regrettable that other cities have not been both allowed and encouraged to follow the example of Birmingham in creating a Municipal Bank.

Secondly, there is the assumption that the existing use of the flow of savings is the best that can reasonably be

expected ; the assumption, that is, that private investors choose the investments which are most to their advantage, and that what yields them the maximum profit is also what is of the greatest benefit to the whole community. Both of these assumptions may be challenged. The Treasury memorandum[1] itself remarks, " We obviously cannot compete with the temptations offered by the capital appreciation of the American share market." That sentence was written apparently in April or May of 1929. Then, and for a few months more, that capital appreciation mounted higher and higher, till finally it crashed. If the investors who speculated in it, and who did not anticipate the crash in time, had understood their own interest, a 4 per cent. British Government loan would have been more attractive to them. Whether British investors as a body made a net profit or loss out of the great Wall Street gamble, whether by buying and selling at the right time and by lending to American banks to finance American gamblers some gained more or less than others lost by being caught in the slump, we have not been told. Anyway, temptation to gamble abroad on so large a scale is not likely to be effective for some years to come. More serious, from the point of view of future prospects, is the recent series of collapses in the British money market, which indicate that the idea that the ordinary investor can safeguard his own interests under existing conditions has ceased to be in accordance with the facts, if it ever was valid.

It will be objected that if the investor is so foolish, or ill-advised, or unlucky as to make mistakes in his investments, he must make them ; and that we cannot set a State guardian or tutor to watch him in order to prevent him from investing injudiciously. That is obvious enough ; but we might give him a little more help than we do. We do not set tutors or guardians over our housewives to tell them where to buy the Sunday joint, but we

[1] p. 50.

do appoint Food and Drug Inspectors to diminish the danger of bad meat being palmed off on them. It will hardly be contended that the rank and file of those for whose benefit the promoters of companies throw their bait are as well able to distinguish between what is sound and what is not, as an average housewife is of distinguishing between good meat and bad. The moral appears to be that just as we have Food and Drug Inspectors, we should also have Inspectors of Stocks and Shares ; and that exposing rotten Stocks for sale should be as much an offence as exposing rotten meat.

A plan for accomplishing this purpose, so far as home investments are concerned, was put forward by the present author some few years before the war. It was suggested that just as we have a Public Trustee, we should also have a Public Shareholder ; that the Public Shareholder should be a small specialised Government department, to which all promoters of new capital issues should be bound to assign a small proportion of the issued capital, say a fraction of 1 per cent., in the form of fully paid up shares. The dividends of these shares would supply the funds for the working of the department ; and to the Public Shareholder would fall the duties of keeping an eye on the directorate, detecting fraud, initiating prosecution when necessary, and doing on behalf of its private colleagues all those things which they are supposed in law, but which they are quite unable in fact, to do for themselves.

Still less reason is there for supposing that if private investors choose the investments most profitable to themselves their capital is used to the maximum benefit of the community. A cursory review from day to day of the advertisements of new issues in a daily paper leaves me with the impression that a great deal of so-called new investment involves no useful addition to the country's means of production, being merely for the purpose of enabling one company to buy up the assets of another,

and that the favourite forms of new investment which does increase productive plant are in distilleries, breweries, and various inventions to facilitate amusement, the net social value of which will be variously estimated ; while its net value as a contribution to the restoration of economic prosperity and increased employment is, on the most favourable estimate, negligible. On *a priori* grounds, the theory that the vital social function of determining the method in which the available flow of capital shall be used in industrial enterprise can more safely, in the interests of the community, be entrusted to people who are not expected to give a thought to those interests, than to public servants appointed to serve the community, is so quaint that one is driven to enquire how it ever came to be entertained, and how, having once got a footing, it managed to persist. The answers, however, are obvious enough. The theory was first formulated in the eighteenth century, when the public services were rotten with corruption ; it became consolidated during the first three-quarters of the nineteenth century, when public appointments were by patronage and to secure political support for the party in power,[1] and the civil service was mostly manned by honest incompetents. It is now baseless, since the adoption of the Chinese system of appointment by competitive examination has given us a picked body of public servants far superior in character,[2] and also, on the average, exceeding in ability the average either of politicians or of business men. And if we test the theory by experience, we find that, apart from war loans, the capital raised in the market by public authorities is far more usefully and beneficially employed than that raised by private promoters. The persistence of the delusion to the contrary seems to be due, partly to mere mental

[1] For example, Sir Robert Peel, when near the close of his life, boasted that he never allowed any considerations except those of maximum advantage to his party to influence him in making appointments.

[2] It is conscientiousness, more than innate intelligence, that enables a boy to succeed in the competition, though both are required.

inertia, partly to the fact that our public debt is mainly for wars, but chiefly to the persistent propaganda carried on by interested parties, including the Press, which lives on advertisements, against all forms of public enterprise, every failure of which is paraded, while the far more numerous failures of private enterprise are, in comparison, ignored as far as possible.

Dire necessity, however, is teaching us that prosperity can only be recovered by harmonious co-operation between trade unions, employers and the State, and that the initiative and the dominating position in this triple partnership must by degrees pass more and more to the State. In various ways the State already has done something to guide the flow of investment ; it should do more, and it should also, seeing that the present emergency calls, like the emergency of war, for collective effort, again set to work to stimulate the saving needed to provide the funds for economic reconstruction.

The fundamental principle of the Liberal policy is sound. It is for the Government, therefore, without further delay, to examine the details. They let the time slip past them during last summer ; but this should make them realise the necessity of getting ahead with preparations. The conditions of the money market are likely to be more favourable in 1930 than in 1929. What is now wanted is more and more of the " three factors of production, Knowledge, Enterprise, and the Spirit of Co-operation."

" The Nation," says Mr. J. L. Garvin, [1] " long since ought to have been in possession of two Domesday Books—one a detailed survey of our national industrial necessities, the other a complete survey of Imperial opportunities capable of being developed with assured profit by British finance and enterprise, British labour and material. . . . We could select the most serviceable schemes and finance them in order of priority. . . .

[1] *Observer*, 19th January, 1930.

> Meanwhile nothing will convince us that it is sound policy, or sane policy, to spend nearly £80,000,000 a year, or £150 a minute (as we shall be spending presently), on the mere relief and maintenance of unemployment, instead of getting work for the money. . . . Again, looking to the future, nothing is more essential, from the human and economic standpoints alike, than the more extensive retraining of large numbers of unemployed for new employments. It is a disgrace to statesmanship during the last five years that this principle has not been applied on a big scale to retraining surplus miners and others for work on the land."

How are "we" to do the things that ought to be done? Only by finding out the people who are fit to do them, imposing the responsibility on them of getting them done, and giving them the powers and the assistance necessary to enable them to do the job. It is something to have appointed a Lord Privy Seal as Reduction of Unemployment Minister. Have we also given him the necessary able and zealous staff, or enquired into the available resources of voluntary aid? A hundred-man working power and a flood of new enlightenment are not conferred on a Member of Parliament by giving him a Cabinet portfolio.

CHAPTER XIX

THE FUTURE OF THE RACE

Up to the Eleventh of November 1918, the State was primarily an organisation for national defence or for aggression against other States. Since that date it has become primarily an organisation for the prevention or mitigation of poverty, by combating disease, ignorance, social disorder and unemployment, and for the care of such dependents as children, widows, aged persons, and others suffering from physical and mental disability. That this is so is proved, not only by the fact that the sums annually raised by rates and taxes, in addition to voluntary contributions, for these purposes, are much larger than the expenditure on the Defence Services ; but also by the fact that criticism of State action is almost entirely devoted to discussion of its success or failure in this field.

In preceding chapters we have traced the growth from its roots in mediaeval religion of this social function and organisation, which, under the Tudors, came partially under the control of the State as a subordinate but necessary part of national defence against the overwhelming power of Spain, and the dread threat of the Inquisition. Its development in recent times has been correlated, very obviously, with that of other movements—the advance of natural science, the mechanisation of industry, the urbanisation of the population, the increase of incomes from property, the labour movement, and the democratising of the political constitution ; and, rather less

obviously, with the movement of religious opinion, which some regard as religious decay, but which appears to me rather as a gradual, and as yet only very partial return to the teaching of the Gospels.

In a little essay entitled *Man the Creator*, written some time in the last century, I endeavoured to fashion a unified presentment of human industrial and social evolution in some such terms as the following :

> " The immortal boast that God made man in His own image, implies that He made man also a Creator, and a Creator of things in his own image. Hence the nature of mechanical inventions, which begin with fashioning extensions of parts of the body, the flint knife as an extension of teeth and nails, the club as an external fist, the pot as an improvement on the open hands. So also in creating social organisation, we unconsciously strive to create a sort of superhuman body, with arteries for traffic, posts and telegraphs to convey nerve impressions, and, more and more, we feel the need of building up a national brain for collective thinking and self-control. This superhuman body has to perform functions analogous to those of the individual human body, including notably the function of nutrition, and the maternal function of care and protection for the weak."

Even more important in recent years than the advance in power and political consciousness of the manual workers is that of women. We have already had a foretaste of its results, but up to now we still live under mainly man-made institutions, and the remodelling of them in accordance with feminine desires has only begun. We can only guess at the probable results of its further progress, but can hardly forbear from guessing, as the changes are likely to go deep into the fundamental structure of human life. For since nature has laid upon women the greater part of the pains and responsibilities of parentage, it is both equitable and inevitable that women should claim preponderating power in determin-

ing the laws and conventions controlling sexual relations. In this matter we are passing through a difficult time of transition. Women are breaking down the " double moral code " inherited from the eighteenth century ; they are still quite chaotic in their ideas as to what shall be the code for the future, though, let us hope, more and more convinced that there must be a code, based on reality, and strongly supported by public opinion. Opinion seems to be hardening with regard to the two worst forms of sexual immorality—diffusion of venereal disease, and bringing unwanted babies into the world.

Changes in those conditions which most intimately affect human life have been extraordinarily rapid in the post-war years. As to their character, I recently asked an audience of working men in Stepney how recent changes affected them. Their verdict was unanimous—" Conditions are no better for men, but much better for women and children." The following observations, which confirm that judgment, were kindly given to me by Miss M. Sutton Sharpe, on Hoxton as it appeared to her on her return to social work there after a period of very various activities, and travelling in Australasia and Africa :

> " On returning to Hoxton after seven years' absence, and, in fact, seven years' absence from all London slums, the first thing that I noticed was the present absence of smell, then the better appearance of the people, and then, on the other side, the horrible state of the houses inside and out.
>
> " I have been back several months now, and everything seems to me greatly improved except the original houses. There have been built great blocks of ' buildings,' excellent blocks with balconies and useful rooms such as are needed, but still the mass of the population live in the small houses.
>
> " These houses, built generations ago, were built for one family. Now four or six families share each one, share the narrow steep stairs and the pocket handkerchief of a garden. I know from experience of living in

one of these old houses the horror of them—the loose rotten boards, the flimsy banister, the everlasting coming of the water through roof and walls, and the dark of the basement rooms, and the worry of the smoke fumes, and the slugs that infest dark basements at night!

"The absence of smell is very noticeable now when some great crowd of people is gathered together in a hall. This may not be a pleasant subject, but it is to my mind a very significant one. It is a matter we 'social workers' of a generation past had to face when we undertook the work. But cleanliness of person, clothes and house has become universal; perhaps house-cleaning is not of a very high standard, but it has risen to a very fair one.

"But it is the appearance of the young people and the children that is so heartening to see on returning to old haunts. Wages are only a little higher; a girl of sixteen gets thirteen shillings or so a week, but she looks neat and clean on that, is quietly, healthily clad, and is very like indeed her sister from Mayfair. Going into a girls' club here now I find it impossible to spot the 'workers' amongst the girls, I must wait for an introduction; dress and shingled head are the same in all classes now, and, most important to my mind, expression of face.

"The children are robust-looking; never now do I seem to see a child with rickets showing prominently, and this strikes me so forcibly that I am bound to think there must have been a great many to be seen a little time back. The Welfare work for babies and children shows in the young people's good physique and clear skins.

"Of course girls powder and paint here as anywhere, but in spite of that the real unhealthy dirty skin is not to be seen much now, and there is a freshness and clearness betokening better feeding and more open windows at night.

"And then the intelligence of the young people seems so bright now to me. The Cockney child always was quick at the uptake, but now more than ever he or she seems alive and ready.

"There is a vast amount of fast traffic now through various streets, great factories are in larger numbers in

the district, and on the increase. The noise is greater in this respect, but there is to be put against this the fact that motor vehicles are quieter on the whole than the horse-drawn ones.

" To speak of ' drink,' just now at Christmastide the ' pubs ' are all decorated inside and brilliantly lit up. But ' drink ' is a subject we have now well in hand ; no longer does one step aside from a drunken fight (or step in to stop it), or see a man dead drunk in the gutter. Such sights are rare. I live opposite a big ' pub ' in a very bad part, but only once in the last month have I noticed any noise at closing time, and then it was only some women chatting in rather loud tones.

" The streets are still rather littered with rubbish ; we have much to learn from continental towns how to keep our streets free from scraps and germs, but still we are beginning, and disinfectant is used round open drains. Tremendous steps have been taken forward, I feel, but the housing still lags behind and overcrowding is there to an appalling extent. How these clean, well-dressed, well-fed people can come out of these wrecks of houses is a daily mystery to me."

The available statistics show that this picture represents fairly the conditions in those towns which are not specially hard hit by depression of trade and unemployment. On the whole the urban populations are living on a higher level ; in a less degree also the rural population. Average wages, measured in real values, are much the same as before the war ; but somehow much more is spent on amusements and comforts. The diminished consumption of beer and spirits does not explain the power to spend more in those directions, as owing to the great rise in prices these drinks take up practically the same percentage of wage income.

The explanation is to be found partly in State provision for dependents, particularly for the aged, and partly in the diminished numbers of dependents relatively to the whole population. The relative numbers of the aged have increased, but not sufficiently to offset the decrease in the

numbers of children. The following table shows the movement :

	1891. Per cent.	1928. Per cent.
Aged 0-15 - - - - - -	35·1	25·0
Aged 65 and over - - - - -	4·7	6·8
Total dependents through age - - -	39·8	31·8
Aged 15-65 - - - - - -	60·2	68·2
Ratio of possible wage-earners to dependents	1·69	2·14

The law and public opinion demand more and more effort and expenditure of labour and money from parents on behalf of their children ; but the diminution of the numbers of the children enables the claim to be met, on the average, rather more easily. On the other hand the working population has been practically freed from the burden of maintaining their old relatives out of wages.

This diminution in the number of children annually born is probably on the whole the most important of all the social changes now taking place ; and few people recognise either the magnitude of the change or its vast importance, since few people have the habit of thinking statistically or even in any way quantitatively. The following figures are for England and Wales ; those for Great Britain would tell the same tale.

VITAL STATISTICS FOR ENGLAND AND WALES.

I. HALF A CENTURY BEFORE THE WAR.

Year.	Births.	Deaths.	Marriages.	Birth rate.	Death rate.	Births per marriage.[1]
1863	727,417	473,837	173,810	35·3	23·1	4·44
1873	829,778	492,520	205,615	35·5	21·1	4·12
1883	890,722	522,997	206,384	33·5	19·6	4·35
1893	914,572	569,958	218,689	30·7	18·8	4·06
1903	948,271	514,628	261,103	28·5	15·5	3·62
1913	881,890	504,975	286,583	24·1	13·8	3·22

[1] Births per marriage here means births per marriage of the preceding year, as an increase or decrease of the marriages in any one year affects the birth rate of the succeeding year more than that of the same year.

II. THE POST-WAR DECADE, 1919 BEING REGARDED AS A YEAR OF TRANSITION.

Year.	Births.	Deaths.	Marriages.	Birth rate.	Death rate.	Births per marriage.
1920	957,782	466,130	379,982	25·5	12·4	2·59
1921	848,814	458,629	320,852	22·4	12·1	2·23
1922	780,124	486,780	299,524	20·4	12·8	2·43
1923	758,131	444,785	292,408	19·7	11·6	2·53
1924	729,933	473,235	296,416	18·8	12·2	2·49
1925	710,582	472,841	295,689	18·3	12·2	2·39
1926	694,897	453,795	279,860	17·8	11·8	2·35
1927	654,969	484,636	308,370	16·6	12·3	2·34
1928	660,267	460,440	302,810	16·7	11·7	2·14
1929	644,218	532,525		16·3	13·4	2·14

Throughout the whole period the marriage rate has kept remarkably steady. With regard to births and deaths, we notice differences in the pre-war and post-war tendencies.

Deaths.—Throughout the whole of the pre-war half-century the death rate declined steadily and rapidly. The number of annual deaths fluctuated, according to the seasons, above and below half a million, showing no general tendency to increase after the half-million figure was first reached in 1866, in spite of the great increase in the population.

But in the post-war years it is the death rate which has fluctuated, no longer showing any general tendency to continue to fall, while the total number of deaths shows a tendency to increase. This is because, so much having already been done to prevent or postpone death as far as possible, further efforts to the same end show a smaller statistical result, and such improvements in average longevity as can be accomplished are more and more neutralised by the increasing proportion of aged persons in the population. The average death rate for the past ten years is just under 12·5 per thousand. In order to maintain it at that low level after the age distribution has become normal (at present we have an undue proportion

of persons of the ages of low mortality) we should have to lengthen the average expectation of life to eighty years. We have therefore to anticipate in the near future a rise in both the annual number of deaths and in the death rate.

Births.—The birth rate was steady or increasing up to 1876, when the maximum recorded figure of 36·6 per thousand was reached ; since then it declined steadily up to the outbreak of the war. Up to 1903 the actual number of births increased, the decline of the birth rate being balanced by the increase of the population. After 1903 the annual number of births also declined.

For the post-war period, marriages having been postponed during the war were celebrated in great numbers in 1919 and 1920 (369,411 in 1919 and 379,982 in 1920), and produced a temporary spurt in the number of births, which reached a record figure in 1920, and in the birth rate, which was higher than for any previous year since 1909. But the recovery was for one year only. In 1921 the birth rate was the lowest then on record, and even the actual number of births the lowest since 1873. Since 1921, except for a very slight recovery in 1928 due to an exceptionally large number of marriages in 1927, there has been a further steady decline, and on the whole a very rapid one.

The annual births during the past three years have been at a level barely sufficient to maintain the population permanently at its existing level provided (1) the average expectation of life is raised to sixty years, and (2) there is no net loss of population by emigration. With regard to these two conditions, the necessary increase of average longevity is quite possible, even probable, provided peace is maintained and no new enemies to human life appear ; but it is neither probable nor desirable that young men and women should abstain from settling overseas.

There is no prospect that the fall in births and birth rates will cease unless some new force operates to check the decline. If we assume that thirty years represents the

average age of the parents of the children born in any one year, we may note that the average number of births thirty years ago was about 925,000. In the last three years the average number has been about 653,000 ; each group of 185 children of the present generation of parents producing only 131 children to take their place. If the children now being born are no more fecund than their parents, no possible reduction in death rates will prevent England and Wales from having only a dwindling native population.

Again, we may note that assuming the ages 15-45 to be the limits of fertility for women, the new entrants to the period of fertility, born in 1915 and since, will be many fewer than hitherto, while the number who pass beyond the age of 45 will be continually increasing. If not immediately, at least very shortly, the number of potential mothers of native blood will begin to decrease steadily.

Very significant, again, is the fall in the number of births per marriage. In the past the proportion of children born who later marry has been rather less than two-thirds, rather more than one-third either dying young or choosing to abstain from matrimony. The great reduction of infantile mortality since the beginning of the present century has certainly modified these proportions, but still something between $2\frac{1}{2}$ to 3 births per marriage is necessary to replace each married couple by another in the next generation. Avoidance of birth has now reached such a pitch that the births per marriage barely exceed two, and the forces which have produced this radical change in the habits of the people are continuing to operate with unabated effectiveness.

There is a near prospect of the population soon beginning to diminish,[1] and to diminish at an accelerating rate.

[1] Seeing that the population of Ireland has not ceased to diminish since the Famine, and that of Scotland began to diminish in 1927, it may well be that the total population of the British Isles was less on the 31st December, 1929, than on the 31st December, 1928.

There are some people who, looking at our congested cities and ignoring the depopulated rural areas, hold that our country is much over-populated, and who therefore welcome this prospect of a diminution. If the reduction in our home population were effected by migration to under-populated regions abroad, this attitude would be reasonable. But depopulation caused by excess of deaths over births can only be pleasing to victims of an extreme anti-patriotic bias.

The quality, however, of births is more important than mere numbers ; the question, therefore, has to be considered as to whether it is the more or the less desirable births which have been decreasing most rapidly ; and on this question it is difficult to come to an optimistic conclusion. Among people of ample means, indeed, it is no doubt the lazy and self-indulgent who are chiefly abstaining from parentage ; but the total numbers of this section are relatively small. If we look at the general mass, we find that the birth rate is well maintained among the mentally deficient, and in the lowest class of unskilled and casual labourers in towns, who live in overcrowded tenements, in which any form of birth control is practically impossible, and animal instincts are unchecked ; while among these the death rate has been greatly reduced. On the other hand, among the steady and conscientious workers the birth rate has greatly declined ; it has declined more among clerks and artisans than among miners and labourers, and more among professional men than among clerks and artisans. On the whole there has been a dysgenic selection, tending to the multiplication of inferior types of humanity and the elimination of the superior types.

The moral seems to be obvious. It is that we can now safely put aside the Malthusian dread of an excessive total flow of births ; and that while it is desirable to do everything that is practicable to diminish the number of children born to parents who are unfit to perform the

duties of parentage, it is even more necessary to encourage parentage among the men and women of the higher types. We must practise positive eugenics in either event, whether negative eugenics, the eugenics of segregation or sterilisation of the unfit, is or is not practicable.

It is pointed out above that our national policy with regard to such a question as this will be determined by women rather than by men ; both because women have the majority of the votes, and because they care more about it. In most matters women's opinion is divided in much the same way as men's, but not on these.

The one distinctly feminine demand from the State which has become vocal since women attained equality of political rights with men is that for Family Endowment ; and the election to Parliament of Miss Eleanor Rathbone, the protagonist in the cause, is an event of much significance. Even more significant has been the struggle within the Labour Party. The women's organisations have fought for the inclusion of Family Endowment in the party programme, and have been strongly supported by the I.L.P., but the Trade Unions who supply the money have, up to now, been opposed, though not by a large majority.

It should be noted that the proposal of Family Endowment, in the only form in which it is likely to be accepted by the Labour Party, or by the country, is not, as some people suppose, a proposal that wage-earners shall not be paid in accordance with the amount and value of the work they do, but in accordance with the numbers of their dependents ; still less is it a proposal that people should be paid for procreating children. It is the recognition of the fact that the nurture of children is a service to the State, which the State more and more insists on being carried out under its guidance and control, if undertaken at all ; and that parents are finding the burden of performing this service has become so heavy that they shrink more and more from undertaking it ; and a pro-

the demand for family allowances is likely to be increased. Already the " thin edge of the wedge " has appeared in maternity benefit under the National Health Insurance scheme, in arrangements by municipalities to pay special attention to the needs of large families in the provision of subsidised housing, and in connection with the extension of the school age. The rate of progress will naturally depend on the availability of funds. The easiest line of development would be in connection with Health Insurance.

Ultimately, the question whether Family Endowment is good or bad depends on its effect on the future of the race. Some professed students of eugenics denounce it as tending to encourage " the lower classes " to multiply at the expense of " the upper classes." Class prejudice blinds them to the fact that both high and low types of humanity are to be found among both rich and poor. There is no reason to suppose that family endowment would encourage births among the undesirables of any class. It would certainly make no difference to the idle rich, or indeed, either way, to rich people of any type of character. Nor, on the other hand, would it tend to increase the birth rate among the mentally deficient, or the reckless, criminal, or semi-criminal among the poor. With regard to casual labourers who now live overcrowded in slums, it would, in a certain proportion of cases, enable them to live under decent conditions and attain higher standards, with the result that the birth rate in this class, taken as a whole, would probably decline. On the other hand there would probably be a check to the fall of the birth rate, perhaps even an actual increase, among those decent steady folk of the artisan, clerk, agricultural labourer, and mining classes, and others in regular employment, who are the backbone of the nation.

In any arrangements for a general plan of family endowment the professional and middle classes are likely to be left out ; and it is among these that undesirable

birth restriction in consequence of financial pressure is at present most prevalent. For parents in this class a reform in the income tax, exempting the sums actually spent on education both from taxation and from inclusion in the estimation of the income for taxation, would be helpful; and such exemption is obviously equitable.

Family Endowment would put the coping on our present system of giving all the people, by right of birth, a share in the collective income of the community, and a title to a minimum share in the material benefits of civilisation. Some system to this end is the necessary correlative of present methods of working and getting a living. Muscular energy is more and more superseded by mechanical power. The production of the necessities of life and the unnecessary things which people desire is no longer commonly achieved by individual efforts, but mainly by bigger and bigger businesses, and the typical worker has become one out of many inter-dependent parts of a complicated organism. His prosperity depends largely on circumstances entirely outside his own control; in so far as it depends on his own qualities, that most helpful is the power to adapt himself to the necessities and opportunities of his relations with the other units. The prospect is not romantic, nor very inspiring. "My dear, the *only* thing these days is to be *mass-produced*," wrote Topsy, M.P. It is the price of the triumphs of mass production of things.

If mass production were universal in all departments of life, humanity might perish out of sheer ennui. The rapidly falling birth rates in all "industrially advanced" countries indicate that this is not merely a fanciful idea. Mass production appears to be loved for its own sake by American capitalists and Russian Communists; that is perhaps an idiosyncrasy in harmony with an environment of vast monotonous plains. Our little islands, interpenetrated by the sea, exposed to the western gales, with their rich diversity of soils and surfaces, foster a different mentality; and our folk are descendants of settlers of

posal that henceforward some arrangement shall be made for parents to recover from public funds some part of the out-of-pocket expenses which they must necessarily incur in order to perform effectively their part of the social function of nurture and education of the young.

A good deal has already been done in France, Belgium and Germany in the institution of schemes of family endowment by associations of employers, as a means of harmonising the demand of wage-earners for a "living wage" with their own need that the wage shall not be more than the industry can bear. The phrase "a living wage" is obviously meaningless unless the number of people who have to live on it is determined, and therefore, in debates on the proper sum a "normal" family of man, wife and three children has commonly been assumed. Actually, while the Census of 1921 shows that the number of dependent children per family varied from none to thirteen, the average number of children dependent on each man is not quite one. The estimated number of men in England and Wales aged twenty to sixty in the middle of 1928 was 10,255,173; of children of both sexes aged 0-15, 9,870,265. Even since then the number of children has diminished. Out of the 10,000,000 men aged twenty to sixty, about 5,000,000 have no children under fifteen years dependent on them, about 3,000,000 have only one or two, rather less than 700,000 have three, while rather more than 1,300,000 have four or more.[1] Hence, while the cost of giving all workers a wage sufficient to enable them to maintain "normal families" with three children on a given scale of comfort is considerably greater than that of giving all families an income sufficient to enable them to live on that scale, it still leaves 1,300,000 families obliged to subsist on a lower scale, the large families being on a starvation wage.

Hitherto the Trade Unions appear to have been dominated by the idea that by pleading the necessities of wives

[1] Census, 1921, Part IV.

and children, wages can universally be forced up to a sum which will give each male wage-earner enough money to maintain "the normal family" on a scale determined by their "human needs," and which consequently will give the 80 per cent. who have not that responsibility, money to burn. Trade unionists, like many other people, lack realism in their economic thinking, and are much under the spell of out-worn formulas and half-baked theories. But they are being driven to realise that what they can get depends much more on what employers can pay without going out of business than on what they think they need. The argument "you can't get a quart out of a pint pot" is hard to answer. Further, the theory that the product of industry is divided between wages and profits, so that it is only possible to increase wages at the expense of profits, but possible in that way to increase wages largely, is being abandoned under the influence of the examination of the facts of particular industries in negotiations with employers. Profits are proved to be, for vast numbers of employers whose services cannot yet be dispensed with without disaster, small and precarious; while the share taken by those who may be considered sleeping partners in industry, in the form of rents and interest, at the expense of wages and profits taken together, is enormous and increasing. That the I.L.P. and the women will convert the Trade Unions is probable.

Outside the Labour Party, academic economists generally hold that any possible approach to distribution more in proportion to needs increases in itself the effective wealth of the community, by enabling the more imperative demands to be met rather than the less imperative ones. Employers in some hard-pressed industries, particularly coal mining, would probably before now have followed the continental example, and have arranged special allowances for dependent children, if they had been sufficiently organised. Hence, the pressure behind

many races from the Palaeolithic folk of Aurignacian culture onwards, up to Huguenot and Jewish refugees from persecution and pogrom, for whom homes here were the reward of pioneering into unknown lands, or of bold adventure and conquest, or of courageous and obstinate refusal to sacrifice individuality. To be mass-produced producers of standardised goods by mass-production methods is not a happy or appropriate fate for the future descendants of folk derived from such an ancestry.

We can still keep some fields for the free exercise of individuality ; as in the production of some sorts of food, fruit, vegetables, eggs ; in amusements and the use of leisure ; but chiefly in the care and nurture of children. Need the standardised schools, with their mass-produced teachers (though it may be conceded that schools are not yet all standardised, nor teachers entirely devoid of individuality), dominate all the children's lives from the age of five to fifteen ? They even demand to have them from three to sixteen. Mothers are now not so much worse educated than schoolmasters and mistresses. Why not give them a fair chance, recognise the importance of their work, and grant that they are entitled to the means of doing it well ? That, in brief, is the case for Family Endowment.

How will the growing expenditure of social effort to prevent and mitigate poverty react on the character of the race ? Some fear that it will tend to kill the spirit of adventure, self-reliance and individual initiative. A more probable view is that while the change in the character of industry tends to this result, the happier lives that children now enjoy tend to make more fearless men and women—men and women (women particularly) ready to " kick against the pricks," and insist on the adjustment of the industrial environment to the instinctive demands of humanity.

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